FBIS DAILY REPORT CONTENTS

Latin America

Vol VI No 163 *21 August 1984*

INTER-AMERICAN AFFAIRS

Contadora Deputy Ministers To Meet in Panama [NOTIMEX] A 1
Mexican President Opens Economic Conference [NOTIMEX] A 1
Andean Labor Leaders Support Bolivian Debt Stance [AFP] A 1

ARGENTINA

Foreign Ministry Aide on U.S. Envoy's Status B 1
Ortiz Expresses 'Displeasure' B 2
Foreign Ministry Communique on UN Falklands Vote B 2
Defense Minister Comments on Military's Role B 2
Views Debt, Budtet Cuts [BUENOS AIRES HERALD 20 Aug] B 3
Economy Ministry To Launch Anti-Inflation Plan B 3
[BUENOS AIRES HERALD 20 Aug]
Government Grants 18-Percent Wage Hike B 4
Presidential Secretary on Justicialists, Inflation B 4

BOLIVIA

Envoy to OAS Discusses Talks, Ties With Chile C 1
Cuban, USSR Airlines To Begin Commercial Flights C 1
Government Employees End 20-Day Strike C 1
Lechin Discusses Reasons for Dollar Price Rise C 2
Lechin on 'Dictator' Label, Santa Cruz Panel C 3
Leopard Police Decried, Called 'Mercenaries' C 3
Peasants Want Military Withdrawal From Chapare C 4
Drug Traffickers Arrested; Cocaine, Planes Seized C 5

BRAZIL

Nicaragua's Wheelock Meets Foreign Minister D 1
Guerreiro To Visit Europe, Africa [O GLOBO 18 Aug] D 1
Poll Shows Neves Candidacy Favored Over Maluf D 1
[FOLHA DE SAO PAULO 19 Aug]
Galveas Answers Questions on Economy [O GLOBO 19 Aug] D 2
Governor Jair Soares at 'Political Crossroads' D 3
[O GLOBO 15 Aug]
Amazon Navigation Agreement Signed With Peru D 3
Briefs: New EMFA Deputy Chief D 3

CHILE

Pinochet Comments on Political Situation E 1
Warns Against Foreign Ideologies E 1
Says Media Not 'Muffled' E 1
Pinochet Warns of Possibility of Another Coup E 2
Del Valle on Statement E 2
Opposition Calls Meeting E 2
Union Leaders React E 3
Finance Minister on Economic Growth, Foreign Debt E 4
[EL MERCURIO 5 Aug]

COLOMBIA

Iranian Official Meets Deputy Foreign Minister [IRNA] F 1
Security Council Analayzes Public Order Situation F 1
[EL SIGLO 14 Aug]
Briefs: New Deputy Health Minister F 1

ECUADOR

Febres Escapes Injury in Shooting Accident G 1
President Febres Interviewed on Regional Issues G 1
[Bogota EL SIGLO 17 Aug]
Briefs: Conade Director G 2

PERU

Navy Minister Du Bois Departs for Talks in Brazil J 1
Percovich Discusses Case of Missing Journalist J 1
Bodies of 17 Persons Found Near Ayacucho J 1

URUGUAY

Court Said To Order Release of Ferreira's Son K 1
Rapela Hints at 'Another Military Intervention' K 1
Christian Democrats Discuss Elections Stand K 2
Ex-Spanish Prime Minister Suarez Ordered To Leave K 2

PANAMA

Colon Chamber Wants School of Americas To Remain [YA 20 Aug] N 1
Conadesopaz Communique Opposes Plutonium Shipment N 1
[LA PRENSA 19 Aug]
PALA Membership Demand Leadership Changes [LA PRENSA 16 Aug] N 2
Colombian Ship Seized Loaded With Marijuana N 2
Column Decries 'Excessive' Military Spending [LA PRENSA 20 Aug] N 2

CENTRAL AMERICA

COSTA RICA

U.S. 'Pressure' Seen in Bank Reform Issue P 1
[LIBERTAD REVOLUTIONARIA 11-18 Aug]

EL SALVADOR

FMLN Says Honduran Troops Shell Los Cipreses [Venceremos] P 1
Venceremos Reports on FMLN Actions, Casualties P 1
Controls Part of Highway P 1
Claims 288 Casualties P 1
San Miguel, Morazan Attacks P 2
Clash With Arce Battalion P 3

GUATEMALA

Gen Lobos Views Country's Military Situation P 3
[EL GRAFICO 19 Aug]

HONDURAS

Further Reportage on Cabinet Reshuffle P 4
NOTIMEX on Changes P 4
New Members Named P 4
Suazo at Swearing-In Ceremony P 5
'Scandal' Behind Resignations P 6
Solution Sought to El Salvador Border Problem P 8

NICARAGUA

U.S. Statement on Punta Huete Airport Criticized P 8
Sergio Ramirez Returns From Ecuador Visit P 8
Ramirez Reacts to U.S. Warning on MIG's [ACAN] P 9
Further Report P 9
Wheelock Returns From Brazil, Argentina, Peru P 9
Borge Discusses Results of Upcoming Elections [Mainz ZDF] P 10
Solis on Elections, Aid To Counterrevolutionaries [NOTIMEX] P 10
FSLN's Belli on Dialogue, Participation P 11
FSLN Invites Parties To Continue Dialogue [BARRICADA 18 Aug] P 12
Ortega Says CDN Can Try To Register Candidates [ACAN] P 12
CUS Members Continue To Occupy Headquarters P 13
International Observers Invited to Elections P 13
PPSC Leaders Discuss Election Campaign P 13
CDN Reasserts Call for Dialogue, Guarantees [LA PRENSA 15 Aug] P 16
Pastora Aide Denies Troops Fighting Under Chamorro [AFP] P 18
Communique Lists Military Actions 16-18 August P 18
ARDE Supports CDN Struggle for Democracy [Voice of Sandino] P 19
ARDE Claims 97 EPS Casualties During July [Voice of Sandino] P 20

CUBA

Commentary Criticizes U.S. Third World Policy Q 1
U.S. Navy Secretary Lehman Visits PRC Q 2
Puerto Rican Speaker Seeks Latin American Support Q 2
Nicaraguan Officials Discuss U.S. Aggression Q 2
Cites U.S. Expenditures Q 2
'Permanent State of Alert' Q 2
Clashes Between Nicaraguan EPS, Contras Reported Q 2
Casualties in North Q 3
FMLN Attack on El Paraiso Barracks Noted Q 3
Two Labor Leaders Kidnapped in Guatemala Q 3
ORPA Claims Fighting, Casualties in Guatemala Q 3
New Commanders Appointed in Dominican Republic Q 4
Chile's Pinochet Threatens To Repeat 1973 Coup Q 4
Uruguay Expels Former Spanish Prime Minister Q 4
Briefs: New Ambassador to Philippines Q 4

DOMINICAN REPUBLIC

President Jorge Sees 'Promising Future' Ahead R 1
Dispute Over Senate President Continues R 1
Majutla on Petroleum Market Transfer, Government [LISTIN DIARIO 12 Aug] R 2

CARIBBEAN

DOMINICA

IMF Approves 1.4 Million SDR Standby Credit S 1

GRENADA

GULP Government Would Request U.S. Defense Aid S 2
NDP's Brizan Receptive to Coalition Talks S 2
GDM Leader Alexis Recommends Patience, Tolerance S 3

JAMAICA

Resignations of Cabinet Members Announced S 4
Science Minister Irvine S 4
Tourism Minister Abrams S 4
PNP, PSOJ Commence Dialogue on National Issues S 5

GUYANA

Joint Fisheries Venture Begins With PRC T 1
Union President Says Country in Crisis T 1

CONTADORA DEPUTY MINISTERS TO MEET IN PANAMA

FL181040 Mexico City NOTIMEX in Spanish 0040 GMT 18 Aug 84

[Text] Mexico City, 17 Aug (NOTIMEX) -- The Mexican Foreign Secretariat reported today that a meeting of deputy foreign ministers of the Contadora Group, which consists of Colombia, Venezuela, Panama, and Mexico will be held in Panama on 18 and 19 August.

The Foreign Relations Secretariat has reported that a meeting of Contadora Group deputy foreign ministers will be held in Panama City on 18 and 19 August. Ricardo Valero, under secretary of planning and cultural affairs, will attend for the Secretariat of Foreign Relations.

The meeting is to prepare for the meeting of the technical group that will be held from 25 to 28 August, which will be attended by the five deputy ministers of the Contadora Group countries. At that meeting a formal attempt will be made to integrate the commentaries and observations on the Document for Peace and Cooperation in Central America that was presented by the Contadora ministers to the highest authorities of the governments in the region on 9 and 10 June 1984.

MEXICAN PRESIDENT OPENS ECONOMIC CONFERENCE

FL202156 Mexico City NOTIMEX in Spanish 1924 GMT 20 Aug 84

[Excerpt] Mexico City, 20 Aug (NOTIMEX) -- As he opened the Conference on New Viewpoints on the Economic Crisis in Latin America and the Caribbean, President Miguel de la Madrid said today that in this crisis situation, it is not possible for a few to save themselves at the cost of tragedy for all others. Speaking to representatives of 83 million workers from the five continents, the Mexican president said that the economic difficulties affect the entire world, but they are particularly apparent in the recession in the Latin American countries and in the decline in their standard of living. He added that the world crisis can only be overcome by international cooperation among all countries. Referring to Mexico, he pointed out that attempts would be made to promote social understanding among the majority groups in order to develop an economic policy to overcome the crisis.

ANDEAN LABOR LEADERS SUPPORT BOLIVIAN DEBT STANCE

PY210125 Paris AFP in Spanish 1629 GMT 20 Aug 84

[Text] La Paz, 21 Aug (AFP) -- Labor leaders from Bolivia, Peru, Ecuador, Colombia, and Venezuela have firmly supported Bolivia's recent decision to declare a partial moratorium on its $4.3 billion foreign debt and urged the nations of the Andean region to follow suit.

Bolivian delegate Victor Lima, member of the Bolivian Labor Federation (COB) told the journalists that at the second round of talks of the Andean Labor Council held in Quito it was decided to sponsor another Latin American meeting in La Paz to discuss the matter of regional debt. The meeting of labor representatives will take place in La Paz.

Lima added that a right of the nations to act in the face of IMF imposition has been recognized.

The Andean Labor Council appointed Colombian Roberto Gomez as chairman, replacing Juan Lechin Oquendo, top leader of the Bolivian workers.

FOREIGN MINISTRY AIDE ON U.S. ENVOY'S STATUS

PY201917 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1834 GMT 20 Aug 84

[Text] Buenos Aires, 20 Aug (NA) -- A high-ranking Foreign Ministry official has categorically denied that the Argentine Government has considered the possibility of declaring U.S. Ambassador Frank Ortiz persona non grata. At the same time, a spokesman from the U.S. Embassy has said "that no comments will be made" on the press report stating that there is a "tense" atmosphere in U.S.-Argentine relations. The San Martin Palace source who was consulted by NOTICIAS ARGENTINAS stated that "invented problems such as this only try to hinder the relationship between the two countries."

The press report published today by AMBITO FINANCIERO that asserted that government sectors had discussed the possibility of declaring Ambassador Ortiz persona non grata and of even requesting his withdrawal because of his attitude toward issues such as the renegotiation of the foreign debt -- being conducted by Economy Minister Bernardo Grinspun -- have thus been denied.

A spokesman from the U.S. Embassy also denied that a reorganization is in progress within the diplomatic mission as well as the existence of any disagreements between Ambassador Ortiz and Deputy Chief of Mission John Bushnel, who has been in the United States on vacation since June. In this regard, the U.S. spokesman termed the press report "absurd," although he refused to say whether Ortiz had submitted a report to the U.S. Government which described the Argentine economic-financial situation critically, as is stated in the newspaper report.

When the spokesman was asked whether Ortiz should have accompanied Minister Grinspun during his last trip to the United States to renegotiate the foreign debt, he stated that "the ambassador usually does so when the foreign minister is traveling." He then went on to point out, however, that the economy minister "did not go to meet with government officials but rather with the IMF and the private banking sector."

The newspaper report asserted that recent attitudes adopted by Ortiz caused "displeasure" in government circles and that some sectors had discussed the possibility of requesting that Washington replace its ambassador to Buenos Aires.

The report stressed that when Allen Wallis, U.S. under secretary for economic affairs visited Argentina 2 weeks ago, he had "harsh" talks with the nation's authorities and this generated "concern and unrest at the highest levels of Government House." The report also indicated that changes are being made among the embassy's diplomats and that Ortiz is having "differences of opinion" with the embassy's No 2 man, Bushnel.

The report said that the Argentine Government was annoyed because Ortiz did not cooperate with economy Minister Bernardo Grinspun during his recent negotiations in the United States, where the problem of the external debt was discussed. It stressed that some official sectors have considered the possibility of asking for Ortiz' withdrawal or of declaring him "persona non grata," among other alternatives.

It also stressed that Foreign Minister Dante Caputo and other ministers of the executive branch have reportedly acted as "temporizers" with the most intransigent members of the government who have questioned Ortiz' actions.

Ortiz Expresses 'Displeasure'

PY202315 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2300 GMT 20 Aug 84

[Text] Buenos Aires, 20 Aug (NA) -- Diplomatic sources have revealed that U.S. Ambassador Frank Ortiz this morning telephoned Argentine Foreign Minister Dante Caputo to convey his "extreme displeasure" over the news media report which indicated among other things that the Argentine Government was about to declare him personna non grata. During the brief telephone call Foreign Minister Caputo explained to Ambassador Ortiz that the report was the exclusive responsibility of the news media which had published it and that the Argentine Government had nothing to do with it. The sources indicated that Caputo and Ortiz did not meet today.

FOREIGN MINISTRY COMMUNIQUE ON UN FALKLANDS VOTE

PY210205 Buenos Aires TELAM in Spanish 0107 GMT 21 Aug 84

[Text] Buenos Aires, 20 Aug (TELAM) -- The Argentine Foreign Ministry tonight disclosed that the Committee of 24 of the United Nations today reiterated prior resolutions urging Great Britain and Argentina to resume negotiations over the Malvinas, Georgias, and South Sandwich Islands. Herewith the text of the communique issued by the Foreign Ministry:

The UN Committee of 24 today approved a resolution on the Malvinas issue, urging Great Britain and Argentina to resume negotiations regarding the sovereignty of these islands. Twenty countries voted in favor, four abstained (Australia, Sweden, Fiji, and Trinidad-Tobago), and there were no votes against the resolution. The representatives of Sierra Leone were absent. Last year a similar resolution received 19 favorable votes and 5 abstentions.

DEFENSE MINISTER COMMENTS ON MILITARY'S ROLE

PY201446 Buenos Aires Domestic Service in Spanish 1030 GMT 20 Aug 84

[Text] Following a meeting with Colonel Fernando Conde, chief of the Salta Province Army garrison, and other local military authorities, Defense Minister Raul Borras said that the Armed Forces enjoy complete unity and that they are completely subordinated to the civilian authorities.

Minister Borras added that there is a true interrelation between his ministry and the Armed Forces and that this subject is one of the priority issues of his administration. In reasserting the military's complete subordination to the civilian authorities, Borras stated that the government is determined to never again allow the interruption of the constitutional processes.

Regarding the cut in the military budget, he said that it was a decision made by the Defense Ministry itself as a contribution to the recovery of other neglected sectors, especially the health and education sectors.

Referring to the military academies and their current situation, Minister Borras said that their upkeeping is expensive because of their high educational level and pointed out that only 5 percent of their graduates follow a military career.

Defense Minister Borras ended by voicing his support of the pope's proposal for an agreement with Chile over the Beagle Channel dispute because it will lessen tension in many areas and will allow an advantageous integration.

Views Debt, Budget Cuts

PY202048 Buenos Aires BUENOS AIRES HERALD in English 20 Aug 84 p 1

[Text] Salta (NA) -- Defence Minister Raul Borras said yesterday Argentina "is on the brink of default" on repayment of the foreign debt, which he put at 48 billion (thousand million) dollars, emphasizing that this situation calls for "budget restrictions" for nuclear energy and other programmes. Speaking to the press, Borras rejected criticism levelled against the government for delays in the trial of human rights violations during the former military regime, stressing that "justice is working, and we already know that it is not famed for its speed." "Maybe those who make these criticisms are not fully aware that we are living under the rule of law," he said. No official explanation was given for Borras' 36-hour trip to Salta, in which he was accompanied by his family, and which included visits to various Army and border guard bases and a naval academy.

Borras referred to the country's critical economic situation when asked about Peronist rejection of nuclear programme budget cuts. "Those who are restless and want the budget to be greater than in previous years are living in another country, because this is Argentina 1984, with all the problems that have been left to us, and that is the reason we've adjusted the budget deficit from 14 percent to nine percent" of the expected gross national product, he said. The minister confirmed that military academies (secondary schools) would be shut down, but only gradually, pointing out that the Defence Ministry has neither the budget nor the necessary "competence" to deal with them.

ECONOMY MINISTRY TO LAUNCH ANTI-INFLATION PLAN

PY201822 Buenos Aires BUENOS AIRES HERALD in English 20 Aug 84 p 1

[Text] (NA) -- In ten or 12 days the government will launch an anti-inflationary plan based on setting the Economy Ministry's monthly inflation estimates as the ceiling for wage, price, interest rate, and public utility rate hikes, Labour Minister Juan Manuel Casella said yesterday. The imminence of such a plan was announced separately last week by Economy Minister Bernardo Grinspun on his return from foreign debt negotiations in the United States, and by President Raul Alfonsin, who promised "the end of tarifazos (massive rate hikes)." Trade Secretary Ricardo Campero, meanwhile, said the government's anti-inflation plan will be based on wages and rates, but stressed that he has not yet received instructions on the matter. Casella said in an interview the anti-inflation plan will be part of the social-economic contract (concertacion) talks, which he stressed are at this stage being handled almost single-handedly by Interior Minister Antonio Troccoli on the government's part.

"This way, if the Economy Ministry forecasts ten-percent inflation for September, interest rates, wages, prices, and rates will be increased accordingly," he said. Regarding the concertacion talks, Casella said industry's response has been "encouraging," with 50 requests for membership on the commissions which will lay out the guidelines for the agreement. He also pointed out that "the concertacion is very favourable for unionists because it is within this context that they will have direct participation in setting wage policy and union and welfare funds legislation."

The minister confirmed the government would announce an 18-percent wage hike for August today and is considering a special $a2,500 for workers earning less than $a16,000. He denied reports that the government was only willing to accept the General Confederation of Labour (CGT) of a $a2,500 special hike by reducing general increases to 12 percent.

Casella is to fly to Mexico today to attend a joint meeting of the International Confederation of Free Unions (CIOSL), the Inter-American Labour Association (ORIT) and the Mexican Confederation of Labour (CTM). He will be accompanied by CGT leaders Roberto Garcia and Enrique Venturini, whose presence on the minister's entourage was questioned by travelling salesman Manuel Diz Rey. CGT Secretary-General Jorge Triaca said in an interview the labour movement would wait until Casella's return to ask him for a definitive statement on economic policy.

GOVERNMENT GRANTS 18-PERCENT WAGE HIKE

PY202230 Buenos Aires TELAM in Spanish 2138 GMT 20 Aug 84

[Text] Buenos Aires, 20 Aug (TELAM) -- The Argentine Government today announced that all workers subject to the collective bargaining system will receive an 18-percent wage hike as of 1 August, and that the minimum wage will now be 16,000 pesos. Public administration workers will also get an 18-percent wage hike and the minimum salary for this sector will be 13,000 pesos. The communique relaying this information was released shortly before the end of the meeting between the economy minister and the four secretaries general of the General Confederation of Labor.

PRESIDENTIAL SECRETARY ON JUSTICIALISTS, INFLATION

PY201841 Buenos Aires Domestic Service in Spanish 1600 GMT 20 Aug 84

[Text] Presidential Secretary General German Lopez this morning asserted that he would not hesitate to arrive at an agreement with the Justicialist Party [PJ] if this would help to resolve the current crisis, adding that not only the PJ but all other political groups will necessarily have to be summoned to contribute in the fight against inflation. Lopez rejected the term "sniper" applied to him by some sectors, noting that he considers himself just a disciplined member of his party. He remarked that he regretted having to give explanations, but said that the PJ members must know that he has always been a willing person. In 1975 and during the first months of 1976, he said, I cooperated actively with the current president of the Republic to prevent the fall of the then constitutional government. The PJ members are also aware of our actions at the Congress to prevent the coup d'etat. It was at the Congress where we realized that some people who should have supported the government were involved in the coup plot. Turning to another subject, Lopez said that the country's situation is extremely difficult and that for this reason, everyone, including the rulers, the people, and the institutions, must make joint efforts to keep the inflation rate at a level that will make it possible for the government to reorganize the economy.

ENVOY TO OAS DISCUSSES TALKS, TIES WITH CHILE

PY171325 La Paz Cadena Panamericana in Spanish 1130 GMT 17 Aug 84

[Excerpts] Bolivian Ambassador Fernando Salazar Paredes has stated in Washington that Bolivia is carefully studying the resumption of relations with Chile. The text of the report reads as follows: The resumption of diplomatic relations between the Governments of Bolivia and Chile is under careful study by the Bolivian Foreign Ministry. This statement was made by Bolivian Ambassador Salazar Paredes in Washington.

In answer to a question, the Bolivian ambassador to the OAS stated that this matter is being studied by the Bolivian Foreign Ministry, carefully and with the appropriate responsibility this case demands.

Chilean Foreign Minister Jaime del Valle this week accused the Bolivian Government of delaying the progress of the negotiations, which began in November 1983 in Washington, and urged Bolivia to take the initiative. In a situation like this, it is not a question of accelerating or delaying the progress of events, but of seeking a just and equitable solution, the ambassador stated.

Goodwill is not enough, Salazar added. The agreement achieved must solve the problem in form and substance. After all, the entire hemishpere is watching, and through the OAS it has repeatedly expressed its conviction that this problem must be solved within a framework of consultations between the two interested parties, Salazar stated.

CUBAN, USSR AIRLINES TO BEGIN COMMERCIAL FLIGHTS

PY202045 Paris AFP in Spanish 1750 GMT 19 Aug 84

[Text] La Paz, 19 Aug (AFP) -- The USSR airline Aeroflot and Cubana de Aviacion have received permits to make commercial flights to and from Bolivia, according to information disclosed by official sources in La Paz today. Aeronautics Minister General Antonio Arnez Camacho explained the decision by saying that the two companies have fulfilled the requirements to operate in Bolivia. Thus Aeroflot and Cubana de Aviacion have managed to extend their flights, which were ending at the airport of Lima.

GOVERNMENT EMPLOYEES END 20-DAY STRIKE

PY210215 La Paz Radio Panamericana in Spanish 0000 GMT 21 Aug 84

[Text] The indefinite general strike that has been observed by state employees has now been lifted after 20 days. After negotiations between government workers and government officials, the conflict has been settled. Leader Augusto Siles explained in these terms the latest agreements reached with the government:

[Begin Siles recording] We want to inform the public and all government workers that the results of a conference between departmental representatives held on 18 August in La Paz was to grant powers and attributions to the federation to resolve the problems under the guidelines established by this conference. The suggestion of the La Paz delegation, approved by all the leaders present, was that this delegation has been discharging its responsibilities ever since the strike began.

In this sense, and together with the Federation of Bolivian Workers [COB], we have participated in all the meetings and we have arrived at the conclusion (to end the strike). [end recording]

At the same time, leader Siles referred to the terms of the agreement that have been signed by the finance minister, the labor minister, and leaders of the state workers:

[Begin Siles recording] Fulfilling the obligation the government had assumed with us on 25 November 1983, we, the COB and the government have decided to establish a payment for services rendered in October, and next year in [month indistinct]; a government-workers committee is established to study until November the terms and conditions for the payment of salary 16 [not further explained] for state workers; and a fund of 3.5 million pesos will be set up for the payment of [word indistinct] workers, with an upgrading. [end recording]

The Democratic and Popular Unity government will initiate a plan of moralization among public administration, beginning with the Aeronautics Ministry where the irregularities first appeared, according to leader Siles. The government will also respect union rights and job security, and a joint commission will analyze the granting of a transport bonus for the regions of Trinidad and Tarija. Finally, the document ending the conflict determines that the salary for the days that have not been worked will be discounted in five installments beginning in July 1984.

LECHIN DISCUSSES REASONS FOR DOLLAR PRICE RISE

PY171802 La Paz Cadena Panamericana in Spanish 1130 GMT 17 Aug 84

[Text] According to Juan Lechin Oquendo, executive secretary of the Bolivian Labor Federation [COB], the uncontrolled dollar price rise in the parallel market is due to various factors. In this regard, the COB leader explained what he feels could be the causes of this dollar's accelerated escalation.

[Begin Lechin recording] One of the factors is the high price the government is paying for sugar. Undoubtedly, the difference obtained through this operation is so great, and considering the great needs existing in Bolivia, the people are using all their money to purchase dollars, today at 10,000 pesos per dollar, with the hope that it will continue increasing in the black market.

The other factor could be the measures adopted in April and the announcement that new measures will be adopted in August. [end recording]

Lechin also claimed that the excessive number of Bolivian pesos in circulation is another reason for this situation.

[Begin recording] Another reason could be the speculation of those who have large amounts of Bolivian pesos in their hands. Considering the price of the dollar, the people no longer trust the peso. They only trust the dollar. I think this is one of the most serious mistakes this government has made. We will explain this further in due time.

The people no longer trust in the Bolivian peso. They only trust the dollar, due to the measures announced on 5 November 1982 when [words indistinct]. [end recording]

To curb this escalation of the dollar's price, Lechin stated, the government must try to prevent the disbursement of Bolivian pesos in the amount being done now, and added that the government's debts must be paid but without damaging the workers' economy.

Asked about the stoppages and strikes that are adversely affecting the country Lechin said that they are the result of the government's failure to fulfill the established agreements and nonimplementation of the appropriate decrees. Lechin concluded by saying that problems in the private sector are usually caused by the intransigence of the private businessmen.

LECHIN ON 'DICTATOR' LABEL, SANTA CRUZ PANEL

PY171722 La Paz Cadena Panamericana in Spanish 1130 GMT 17 Aug 84

[Text] The private sector's calling Juan Lechin Oquendo a dictator of the union sector simply shows its ingenuousness and lack of respect for the other executive members of the Bolivian Labor Federation [COB] according to Lechin Oquendo.

[Begin Lechin recording] Within the COB, there is no dictatorship. There are principles. I want to say that not all those who attended the panel signed that document. Fellow worker Justiniano yesterday explained clearly that he did not sign the document. Sanjines claims that he signed it due to the advice of a former COB adviser. [end recording]

The economic panel, which was held in Santa Cruz, was attended by government and COB representatives, in addition to private businessmen. Concerning the panel, Lechin stated: [Begin Lechin recording] We thought that at this panel the private sector would discuss subjects of interest to the economic and political sectors, but they engaged in insulting the workers. Thus, they only tarnished the quality of the panel. They should have instead discussed their economic and social problems, the salary increase, and credit possibilities, and should have made public the real intentions of the private sector to carry on their activities. But this did not happen. I was told by fellow workers who attended the panel, and not just COB delegates but strangers, that the panel was used to talk about the prevailing chaos, anarchy, etc., instead of expressing their points of view as private businessmen. [end recording]

Lechin added that the result of the panel was rather disastrous, judging from the document that was signed, which he had to read several times before he could understand it, and that no positive result was achieved. The only thing achieved was the dispute between workers and businessmen, while the ministers attending the panel were passively observing what was going on, he stated. He added that this situation has emerged because the government has no plan at hand.

LEOPARD POLICE DECRIED, CALLED 'MERCENARIES'

PY171534 Paris AFP In Spanish 0053 GMT 17 Aug 84

[By Eduardo Paz]

[Excerpt] Cochabamba, 16 Aug (AFP) -- The true nature of the "Leopards," an elite police unit trained in the United States and which is receiving advice from "Drug Enforcement Agency (DEA)" experts to destroy coca plantations in the tropical Chapare region, has caused concern and unease within Bolivian society.

The Leopards, who are technically called Mobile Units for Rural Areas (Umopar) [Unidades Mobiles Para el Area Rural], have entered the military zone which encompasses Chapare, Carrasco, and Arani Provinces of Cochabamba Department and Ichilo Province of Santa Cruz Department to help the Armed Forces in their campaign against drug trafficking that has been ordered by President Hernan Siles Zuazo.

However, peasant labor unions have reported that the Leopards do not obey orders from the region's military command, but from the U.S. Embassy and its drug enforcement advisers. The Departmental Labor Federation of Cochabamba (COD) has reported that the Leopards have sophisiticated communications and control equipment and that they entered the coca and cocaine-producing region separately from the Army troops. In addition, some peasant leaders of the region have claimed that the Leopards have massacred peasants and settlers. They described the Leopards as foreign mercenaries who are carrying out outrages, rapes, and attacks.

The government declared the Chapare a military zone on 1 August and on 9 August troops entered the towns of Zinahota, Paracti, Ivirgarzama and Chimore, which were run by the drug traffickers, and have imposed law and order.

Despite strong peasant opposition, there were no clashes during the operations, partly because the bands of drug traffickers had fled to other zones of the country.

According to experts, the antidrug operation began with the deployment of more than 200 plainclothed, well-equipped Leopards. This operation includes hunting for drug traffickers and destroying cocaine factories and coca plantations, which caused the peasants' reaction.

The Leopards have reportedly been infiltrating spies into the region for the last few months, and would, therefore, be well aware of the illegal movement of traffickers and their contacts.

PEASANTS WANT MILITARY WITHDRAWAL FROM CHAPARE

PY210120 Paris AFP in Spanish 2129 GMT 20 Aug 84

[By Eduardo Paz]

[Excerpt] Chapare, 20 Aug (AFP) -- Bolivian peasant union leaders and Chapare settlers have just met to request the withdrawal of Army and police troops from this area, which is known as the world center of coca and cocaine.

A total of 800 union leaders, representing 30 union organizations with memberships totaling more than 25,000 agricultural workers, have stated their opposition to the occupation of the Chapare region, in Cochabamba (in the central part of Bolivia) by troops of the Rene Barrientos, Victor Ustarez, and airborne regiments; and by military police, Navy, Air Force, and police forces.

Despite the curfew decreed by the military authorities and the prohibition against holding meetings, this assembly was held in Villa Tunari, 120 km east of Cochabamba.

Several charges of human rights violations, excesses, and abuses committed by the occupying forces have been made. The temporary detention of a worker was also mentioned.

Alberto Vargas and Eudoro Barrientos, leaders of the Chapare Peasants Federation, have charged that the government and the local authorities have not been complying with the agreement signed on 2 August with regard to the free marketing of coca, since large quantities of coca leaves intended for the local market are being seized at police checkpoints.

Coca leaves, which used to be sold at extremely high prices to cocaine traffickers, are now the main obstacle to reconciling the contradictory positions of the peasants and the government to the extent that the former will have to guarantee the purchase of the surplus production, which could mean a $200 million disbursement annually.

Several peasant leaders said that up until now there have been no clashes since the peasants have not been planting coca but this situation will have to change in the next few days because, otherwise, there will be a bad crop. Thus the possibility of direct clashes has been avoided until the peasants find it necessary to market their production.

The Chapare zone includes Zinahota -- until a few days ago, the heart of world cocaine traffic -- Chimore, Paracti, and Ivirgarzama -- where there is no legal authority. AFP has perceived great tension and nervousness among peasants of the Chapare zone in the face of the constant movement and patrol of well-armed troops.

The Provinces of Chapare, Carrasco, and Arani in Cochabamba, and Ichilio, in Santa Cruz, produce 120,000 tons of coca annually, only 20 percent of which is consumed at the local market and the remaining 80 percent is used for cocaine production. This surplus is used to produce annually 250 tons of cocaine sulphate and cocaine hydrochloride which are primarily exported to the United States.

The visit to the area of a delegation from the Bolivian Labor Federation (COB), the Single Peasants Confederation, and the Human Rights Assembly made it possible for the settlers to air their grievances.

DRUG TRAFFICKERS ARRESTED; COCAINE, PLANES SEIZED

PY202132 Paris AFP in Spanish 1557 GMT 20 Aug 84

[Text] La Paz, 20 Aug (AFP) -- It was reported here today that 11 drug traffickers have been arrested, and 350 kg of cocaine, worth $5 million, and 2 Colombian planes have been confiscated in the course of spectacular police raids recently conducted in Beni Department (northern Bolivia).

The Josuani cattle ranch, the target of the first operation, belongs to cattleman Jose Ali Parada who had hired Colombian pilot Miguel Eduardo Garzone Burbano. The two men managed to escape into the jungle which is being currently combed by the police.

The operation was directed by Interior Deputy Minister Gustavo Sanchez Salazar, aided by police Colonels Jaime Cespedes and Carlos Fernandez Gonzales. Sanchez Salazar said that the operation took place on orders from President Hernan Siles Zuazo and had the support of the Bolivian Air Force (FAB).

The second operation was conducted at the Cotoca cattle ranch where the police found facilities for manufacturing cocaine equipped with electricity, color television, and a bar. These operations took place just as joint Army, Air Force and Navy troops staged an occupation of the Chapare area (Cochabamba Department) where cocaine factories are being destroyed.

NICARAGUA'S WHEELOCK MEETS FOREIGN MINISTER

PA172242 Managua Radio Sandino Network in Spanish 1200 GMT 17 Aug 84

[Text] Rio de Janeiro, Brazil -- Commander Jaime Wheelock Roman, minister of agricultural development and agrarian reform, has accused the CIA of plotting to ph sically eliminate Sandinist leaders. Commander Jaime Wheelock Roman, who met yesterday with Brazilian Foreign Minister Ramiro Saraiva Guerreiro, said that the CIA seeks to pave the way for intervening in Nicaragua with the murder of Sandinist leaders.

Commander Wheelock stated that despite the achievements of the Contadora Group process and the fact that Nicaragua is softening its stance, the United States is increasing pressure on the Nicaraguan Government, and is trying to get Costa Rica to allow the installation of Somozist bases on its territory.

GUERREIRO TO VISIT EUROPE, AFRICA

PY201432 Rio de Janeiro O GLOBO in Portuguese 18 Aug 84 p 5

[Text] Brasilia -- Foreign Minister Saraiva Guerreiro will be abroad for 12 days on a trip that will take him consecutively to Switzerland, Zaire, Congo, and France. He is already in Switzerland, where he will address the disarmament conference on 21 August. It has been some years since the Brazilian foreign minister addressed that conference. Diplomatic sources have reported that Saraiva Guerreiro's participation in the 40-country meeting is very important.

Saraiva Guerreiro will arrive in Paris on 25 August, and on 28 August he will meet with External Relations Minister Claude Cheysson. It is possible that Brazil will ask for France's support for an eventual meeting with the industrialized countries, which has been requested by Latin American debtor countries.

Foreign Minister Saraiva Guerreiro will visit Zaire and Congo on 21 August. In these countries the foreign minister will discuss Brazil's policy of rapprochement with the African countries and matters of an economic nature.

POLL SHOWS NEVES CANDIDACY FAVORED OVER MALUF

PY202355 Sao Paulo FOLHA DE SAO PAULO in Portuguese 19 Aug 84 p 1

[Text] According to a survey conducted by FOLHA DE SAO PAULO in six Brazilian state capitals, the candidate who is most favored by the public to succeed President Joao Baptista Figueiredo is Tancredo Neves. The survey conducted in Sao Paulo, Rio, Belo Horizonte, Salvador, Porto Alegre, and Curitiba asked: Whom do you prefer as the next president of the republic: Paulo Maluf, Tancredo Neves, or neither? 47.7 percent of the persons surveyed chose Democratic Alliance candidate Tancredo Neves, who is contending with PDS (Social Democratic Party) candidate Paulo Maluf, as the winner of the indirect elections at the Electoral College. Maluf only obtained 18.6 percent of the votes, his highest rate being registered in Sao Paulo (24.9 percent) but still Tancredo outpolled him there, too (37.8 percent). Both Maluf and Tancredo were rejected by 23.8 percent of the people surveyed, and 9.9 percent did not know what to answer.

Although the survey made absolutely no reference to the presidential electoral system, many of the persons surveyed spontaneously insisted in rejecting the indirect electoral system, just as thousands of persons have repeatedly done during the campaigns for direct elections now.

Maluf tried to react indifferently to the outcome of the survey: "The survey I have is my TRE [Regional Electoral Court] diploma," he said referring to the votes that had chosen him as a federal deputy in 1982. In turn, Tancredo Neves said: "This survey is simply reflecting reality."

GALVEAS ANSWERS QUESTIONS ON ECONOMY

PY210020 Rio de Janeiro O GLOBO in Portuguese 19 Aug 84 p 39

[Finance Minister Ernane Galveas interviewed by unidentified O GLOBO reporter; date, place not given]

[Excerpts] O GLOBO: Will the economic recovery over the short term decrease inflation? In what way is this being discussed with the IMF?

Galveas: No, on the contrary. Any effort other than the natural evolution will create new inflationary pressures. The utilization of idle capacity, mainly in the industrial sector, can serve as a basis for the resumption of economic growth, without generating inflationary pressures. But at no time can one say that inflation will drop as soon as economic growth is resumed. This is a wrong and false conclusion. In our discussions of this problem with the IMF, I believe that we should just recall the introduction to our first letter of intent, where we together stated that both the internal and external stabilization effort should be turned to making the Brazilian economy grow in a sustained and accelerated manner. This is the great objective; the resumption of economic growth. To have this, we have to create an internal climate of great monetary stability to give confidence to investors so that they can plan the expansion of their industries, open new enterprises, thus giving continuity to the process of economic production and growth. Combatting inflation is of fundamental importance, because the recession is being made worse by inflation.

O GLOBO: How does the government intend to conduct the monetary policy so as to help the resumption of economic growth and not to feed inflation?

Galveas: The government does not intend to change the course of its monetary policy over the second semester of 1984. On the contrary, it intends to maintain the policy that was implemented during the first half of this year. If we began with an expansion rate of the means of payments of 50 percent for the entire year and this result has been practically reached in July, obviously we cannot move on for the rest of the year with a zero expansion rate. We must accept the fact that the means of payments increased much more than the initial projection, due to the inflation rate itself. The monetary policy will follow a course of keeping the monetary content necessary to fight inflation and of keeping the monetary expansion necessary for economic activities to continue developing, allowing the Brazilian economy to resume its normal trend.

O GLOBO: In view of the resistence to turn inflation back, disindexation is being debated again. Has the government any new idea on this question? Will monetary reform be an option?

Galveas: Several government authorities and myself as the finance minister have been talking about this in the past, that one of the most serious problems in curbing inflation is the overall indexation system. If the inflation still resists the fiscal and monetary policies being implemented, it is because the indexation system is the big problem for those policies. Why not go into disindexation?

We are going through a situation in which there is no single factor that can be made responsible for inflation. There is a set of factors, interacting among each other, in a truly vicious circle. These factors feed one another through the mechanisms of monetary correction, foreign exchange devaluation, and salary readjustments, and it all goes into higher inflation levels. For instance, correcting salaries and house rents by 80 percent of the INPC [National Consumers Price Index by the Brazilian Geographic and Statistics Institute], and making monetary and exchange corrections by 80 percent of the IGP [General Price Index by the Getulio Vargas Foundation]. This is a type of disindexation that, in my view, is very dangerous, because this way inflation is being disregarded. And disindexation cannot damage the acquired right of people who have invested in public securities, private papers, or savings deposits.

GOVERNOR JAIR SOARES AT 'POLITICAL CROSSROADS'

PY210223 Rio de Janeiro O GLOBO in Portuguese 15 Aug 84 p 2

[Excerpts] Porto Alegre -- Governor Jair Soares has indicated that he is facing "a political crossroads" as a result of the Social Democratic Party (PDS) convention. He said that he feels that the rank and file favor accepting the nomination of Deputy Paulo Maluf, while he does not rule out the possibility of supporting Tancredo Neves. He stated that he may not give his support to Maluf but must support the PDS candidate because the interests of the state are above all.

After recalling that Rio Grande do Sul State has always been reticent as far as changing parties is concerned, Jair pointed out that the best way out would be to create a new party. He guaranteed that if he were to support Tancredo Neves he would not do so through the Liberal Front.

AMAZON NAVIGATION AGREEMENT SIGNED WITH PERU

PY210031 Paris AFP in Spanish 2133 GMT 20 Aug 84

[Text] Brasilia, 20 Aug (AFP) -- Peruvian Navy Minister Vice Admiral Jorge Du Bois today signed with his Brazilian counterpart, Admiral Alfredo Karam, a protocol agreement designed to allow battleships to navigate through border rivers in the Amazon region, it was officially announced in Brasilia. Before returning to Peru, Vice Adm Du Bois will go to Rio de Janeiro and Sao Paulo to visit shipyards and facilities of the Brazilian Navy, it was reported here.

BRIEFS

NEW EMFA DEPUTY CHIEF -- Maj Gen Silvio Ferreira da Silva was installed today as new deputy chief of the Armed Forces General Staff [EMFA], replacing Maj Gen Rubens Mario Brum Negreiros, who was appointed chief of the Army General Services Department. [Summary] [Brasilia Domestic Service in Portuguese 2200 GMT 14 Aug 84 PY]

PINOCHET COMMENTS ON POLITICAL SITUATION

Warns Against Foreign Ideologies

PY201402 Santiago Domestic Service in Spanish 1100 GMT 20 Aug 84

[Text] President Pinochet has warned political sectors with foreign ideologies that the government will not allow them to harm the country, adding that patriotic Chileans will fight for Chile's well-being wherever they are. President Pinochet also expressed support of the Nationalist Vanguard Movement and his hope that the Movement will grow and save Chile from emergency situations. The head of state was delivering a speech at the Chillan auditorium, where he received a standing ovation from a large crowd. The ceremony was organized by the National Vanguard Movement.

Pinochet said: With deep affection, I am addressing a few words to this group of Chileans who have created a movement that must gain strength and power to consolidate Chilean unity. All movements that have faith in the fatherland are bound to grow stronger every day. For this reason, he said, the National Vanguard Movement is not a political party but rather a group of men, women, and youths that will grow daily and strengthen brotherly ties among Chileans throughout the country.

The head of state added: On 11 September 1973, the Armed Forces and security forces fulfilled a request by the Chilean people, who were tired of foreign Marxist and communist ideologies. It was not only a matter of ousting a government that was leading the country to chaos but of saving the country itself, its traditions, and its history. Chile's traditions had been destroyed by the people who were ruling the country and who had brought foreign individuals to Chile, such as Guevara and others. Pinochet continued: We are currently showing the world that Chile is a nationalistic country because our traditions are based on our history and because we honor our forefathers and continue the work started by them.

Further on, the president said that the government is concerned over how the political opening has been distorted and turned into an opening to the demagogy and chaos we experienced in the past. However, we tell the culprits that we are aware of their actions and that we will not allow them to harm the country. He added: Let all those people with foreign ideologies know that all patriotic Chileans will fight them in their homes, their jobs, and everywhere else.

Says Media Not 'Muffled'

PY201852 Santiago Domestic Service in Spanish 1730 GMT 20 Aug 84

[Text] President Pinochet has asserted in Chillan that the Chilean news media are not being muffled. I believe that all Chileans must know what is happening in Chile and in the world, the head of state said, adding that we intend to prevent the same errors other countries have committed and what happened in Chile before September 1973 to be committed here. Referring to the press law, he said that it is designed only to prevent abuses. The head of state said this in response to criticism opposition leader German Cabeza made during a working breakfast with 80 representatives from various sectors. For his part, Minister Secretary General of Government Alfonso Marquez de la Plata told the audience that the representatives of the foreign media, including the reknowned NEW YORK TIMES, who interviewed the president recently, were surprised by the freedom of press existing in Chile.

PINOCHET WARNS OF POSSIBILITY OF ANOTHER COUP

PY201350 Madrid EFE in Spanish 1319 GMT 20 Aug 84

[Press review]

[Excerpt] Santiago, Chile, 20 Aug (EFE) -- A recent speech that President General Augusto Pinochet gave in San Carlos, located in southern Chile, has made the headlines of today's Santiago newspapers.

An ULTIMAS NOTICIAS headline contains some of Pinochet's words: "General Pinochet has warned the politicians that 11 September (military coup) could be repeated."

LA TERCERA DE LA HORA reports that in the city of San Carlos, the chief of state "warned the politicians that if it is necessary, there will be another 11 September." The newspaper adds that the chief of state also said that "the political opening has been turned into an opening that will lead to demagogy and chaos."

EL MERCURIO reports that the minister of mines and the Chilean ambassador in Washington have "highlighted the fact that the defense of copper exports has been well received by U.S. technical organizations," despite the Reagan administration's recommendation to limit such imports.

Del Valle on Statement

PY201955 Santiago Domestic Service in Spanish 1730 GMT 20 Aug 84

[Excerpts] Foreign Minister Jaime del Valle has stated that Chile has not yet reached a final agreement with Argentina over the southern border dispute. However, he said that when the final agreement is reached, the Chilean people will know about it immediately.

Asked whether any ambassador had asked him to elaborate on President Pinochet's statement that there could be another coup, he said that no one had asked anything. He added:

[Begin Del Valle recording] If the situation becomes similar to the one that existed in Chile in 1973, I believe that the Armed Forces will have to adopt some kind of measure. [end recording]

Opposition Calls Meeting

PY202125 Madrid EFE in Spanish 1857 GMT 20 Aug 84

[By Albino Mallo]

[Excerpts] Santiago, 20 Aug (EFE) -- The Democratic Alliance [AD], an opposition coalition, has called an urgent meeting for tomorrow, 21 August, to discuss remarks made recently by the president of the Republic, General Augusto Pinochet. Enrique Silva Cimma, president of the Radical Party and of the AD, today made this announcement and voiced concern about some remarks made by the president such as: "Let all politicians know that, if necessary, we are going to make another 11 September." [Referring to the 11 September 1973 coup that overthrew Allende].

Silva Cimma said that the remarks made by the president both to the communications media and to crowds gathered in Chillan, 450 km south of Santiago, will be discussed at this meeting. Pinochet openly lashed out at opposition politicians whom he described as "bad politicians." He directly criticized "those communists, Marxist-socialists, and ambitious individuals who were resting abroad while we were enduring all types of hardships here."

Union Leaders React

PY202154 Santiago Radio Cooperativa in Spanish 1715 GMT 20 Aug 84

[Text] Leaders of professional and union organizations have expressed astonishment and concern over Pinochet's statement that the 11 September coup could be repeated. Mario Quintana, president of the National Federation of Taxi Owners, said:

[Begin recording] I believe that it is absolutely impossible that an event like that could take place again, that is the repetition of the 11 September coup, because current conditions and circumstances are absolutely different from the ones we experienced on 11 September 1973. [end recording]

Mario Quintana added that because this is a complex issue, the National Council of Surface Transportation will be the organization to make a concrete statement on this matter, because we have an agreement in this regard.

(Victor Gabin), president of the College of Engineers, was emphatic in his reaction to Pinochet's remarks. He said:

[Begin recording] I really do not understand his remarks because history has never been repeated, it has never been able to repeat an event that has already taken place. I believe it will be very difficult for Chile to bear another event like the one experienced on 11 September 1973. [end recording]

(Angel Balducci), president of the Association of Metallurgical Industries, said that before making an opinion he would have to first read the newspapers carefully. He added that he is only concerned with union matters. Asked if another 11 September coup would create serious consequences to the business sector, (Balducci) said that he would have to study the situation.

Ignacio Gonzalez, president of the Journalists Association, said in reaction to Pinochet's remarks:

[Begin recording] It is disturbing for me to think of the possibility of the president saving the country again with a new 11 September coup because I believe one event of this kind was enough. I ask myself, would it be possible to suffocate the country by force? [end recording]

He recalled that the president pointed out that the military men promised to maintain the soul of Chile. He said:

[Begin recording] Therefore, a second 11 September coup would not have any other objective than to recapture and subdue again a soul which has been reacting against this type of government which is absolutely foreign to our identity. [end recording]

Gonzalez went on to say:

[Begin recording] Considering what we have gone through as journalists during the last 11 years we believe that going back to the years of lack of freedom of expression, the situation we experienced after September 1973, would really be unbearable; it would be hell for the press. [end recording]

Dr Juan Luis Gonzalez, president of the Medical Association, was also asked about his reaction. He said:

[Begin recording] Really the first feeling I got was a feeling of surprise. I really believe that the remarks made by the president in San Carlos deserve an explanation because we do not understand them well. We do not understand what he is trying to say in that the 11 September coup may be repeated. [end recording]

Gonzalez pointed out that the president's remarks are creating concern among many people because the 11 September coup was a terrible event for the country.

(Patricio Baso), member of the Engineering College and president of the Teachers' Association of the University of Chile, said that the president's remarks represent the failure of the regime because, if after 11 years it is necessary to return to a situation similar to 11 September 1973, it means that what has been done has been unsuccessful. I believe, said (Patricio Baso), that this is not the answer to a people living in anxiety, caused mainly by the economic failure, unemployment, large industries out of operation, the large foreign debt, and the mortgage affecting Chile up to the year 2,000 due to the payment of the foreign debt.

FINANCE MINISTER ON ECONOMIC GROWTH, FOREIGN DEBT

PY181712 Santiago EL MERCURIO in Spanish 5 Aug 84 pp D 1, 2

[Finance Minister Luis Escobar Cerda interviewed by Joaquin Lavin; date, place not given]

[Excerpts] [Lavin] Minister Escobar, it is being said that although the purpose of the new economic cabinet was to speed up economic revitalization it would seem that the opposite is happening. This was not invented by EL MERCURIO but rather it is based on figures released by the Central Bank: The amount of money in circulation is decreasing, imports are increasing, and the commerical balance will not have a $1-billion surplus but rather $400 million. Furthermore, according to figures released by the Industrial Development Association, sales dropped in June, the price of copper is neither 70 nor 75 cents but 60 cents, and the interest rate has reached 13 percent. These are concrete figures and the halt in revitalization does not seem to be false.

[Escobar] I think we must be very clear on this matter. My predecessors had announced that the economy would grow by 5 percent in 1982, and in 1983 they reiterated the figure. However, the gross domestic product [GDP] decreased by 14.5 percent in 1982 and in 1983 the drop was on the order of 1 percent. In 1984 we drew up a program with the IMF establishing a 4-percent growth rate and, as opposed to previous years, we will attain this goal.

[Lavin] But this could be due just to the growth rate during the first half of 1984....

[Escobae] We are talking about the 1984 calendar year. The agreement with the IMF provided for a 4-percent growth rate for the 1984 calendar year taking into account the average copper price at 75 cents per pound and a 9.5-percent interest rate, but it did not foresee the effects of natural disasters. Despite this, we have not followed the "regressive adjustment" policy implemented in 1982 and 1983 and the economy will grow by 4 percent at the minimum. However, if it grows more, so much the better. I believe that the 1984 economic balance is absolutely spectacular because the economy will grow regardless of these adverse circumstances. This is the best sign of reactivation. Unemployment will decrease; it had already dropped to 33 percent and it currently is 24 percent, including the Minimum Employment Plan and the Employment Plan for Heads of Families workers -- as I like to count them as part of the unemployed. Moreover, the unemployment rate could decrease to 21 percent at the end of the year. Then, what are the signs of revitalization? They are economic growth and the increase in employment, and clear progress has been made in both.

[Lavin] Many people argue that this revitalization was already under way and that it would have been attained even without the new economic cabinet. The problem is that this revitalization is coming to a halt and that it will be difficult for the economy to grow by 4 percent based on a copper price of 60 cents per pound and a 13-percent interest rate.

[Escobae] I believe in figures and not in viewpoints. The previous economic cabinet announced revitalization in various fields and nothing occurred. They could not fulfill their goal because their policy was based on a "regressive adjustment." I wonder what would have occurred had we not been here now that the copper price had dropped and the interest rate increased. I am convinced that the "regressive adjustment" policy would have been implemented again; there would have been austerity; the GDP would have dropped again, the unemployment rate would have increased; and we would again be faced with the bloody protest actions on the 11th of each month.

[Lavin] But, don't you think that an adjustment will have to be made all the same?

[Escobae] No, because we have already made it.

[Lavin] What will happen in the future? Do you think the economy can continue to grow by 4 percent taking into account the current copper price?

[Escobae] I will explain that. Reserves will drop by $225 million in 1984. This was our original estimate and it was endorsed, to put it this way, by the IMF mission that visited Chile. I did not see Jan van Houten during the first 10 days of his stay because I wanted him to work with my assistants before seeing him. When we got together, he said: Minister, we agree. It was a good estimate! What we will not be able to meet is the 4.5-percent fiscal deficit goal. Since my trip to the United States in April, I have been saying that this percentage is a bit narrow. I believe that the fiscal deficit will reach 5.4 percent. The reasons for this are even more powerful now because this is no longer a problem of greater expenses but also of lesser income. We have reconciled our policy with this reality and we will cope with the situation perfectly well the rest of the year. We could obtain additional funds to make up for the $225-million loss in reserves, but I am making no moves in this regard; I am not borrowing money from anyone.

[Lavin] Because the IMF grants automatic financing for these cases...

[Escobae] No, because the country can lose $225 million in reserves without any problem. I have said this many times. We can leave recovering the loss in reserves for next year.

We are not concerned about this right now nor about the problem of attaining a 5.4-percent fiscal deficit. What is important to point out is that so far we have met the conditions agreed upon with the IMF. We have not lost a single dollar of reserves yet and on 30 June they exceeded by $225 million the amount agreed with the IMF for that period. Reserves dropped by approximately $130 million in July, but this had already been foreseen, taking into account that another disbursement is due in September on the $780 million foreign loan. These funds will help to restore the level of net international reserves.

[Lavin] We know that we will be able to "survive" in 1984, but what will happen in the future?

[Escobar] You want to make me tell about 1985. Well, we will talk about 1985. What I would like to say is that honestly the criticisms made by EL MERCURIO and by the magazine ECONOMIA Y SOCIEDAD that we do not have a macroeconomic plan are groundless, to say it politely. I tell you that the economic plan for 1984 is perfectly clear and it is defined in the agreement with the IMF. Moreover, I believe that we will keep within the IMF quantitative conditions during the most part of this year. I have to conduct these matters prudently. I am 57 years old and I have been working on financial matters for 35 years! I keep an eye on this daily. The day before yesterday I held a meeting with my "staff" [in English] and I told them that we will comply with the IMF program at least until the third quarter of 1984. The $225-million decrease in reserves we talked about should not start before the third quarter.

[Lavin] Let's talk about 1985.

[Escobar] All right, let's do so. The magazine ECONOMIA Y SOCIEDAD, which is directed and represented by Jose Pinera, has hinted that we have not started to renegotiate the 1985 foreign debt. It is true, but we cannot do it right now. The main reason is that if possible, I would like to negotiate the 1985, 1986, and 1987 debts first. I do not know how many years the negotiation will embrace, but it will be quite a few. Moreover, taking into account the terrible difference between the estimates made for this year and the real facts, I cannot draw up a serious macroeconomic program for 1985 if I don't know what the copper price and the international interest rate will be. I don't know what President Reagan will decide regarding the International Trade Commission nor what the final cost of the damage caused by the torrential rains is. We have signed a statement with the IMF saying that we will have a certain margin within the spirit...

[Lavin] That business of complying with the "spirit" of the agreement, does it hint at the possibility of not complying with the IMF conditions?

[Escobar] I used the word "spirit" of the agreement because I have already told you that our reserves will decrease and that we will probably exceed the agreed 4.5-percent fiscal deficit. However, this is in keeping with the spirit of the agreement.

[Lavin] Does the IMF agree to this?

[Escobar] The IMF is studying these matters. The IMF terms are fixed, but so far it has been very realistic and understanding because it has recognized the sudden restrictions caused by powers beyond our control which I have already mentioned.

[Lavin] Does the IMF also approve of Chile's not meeting the 4.5-percent fiscal deficit condition?

[Escobar] My estimates have been reviewed by Van Houten. He asked me: "What is your estimate on the deficit?" I answered: "Look Jan, at the beginning of April and during my meeting with Larosiere I proposed a margin of the order of 1 percent." So he told me outright: "Why commit ourselves to a specific figure under this uncertain situation marked by the problems of Reagan's decision and of the torrential rains?" What will the outcome of this be? It does not make any difference if the deficit reaches 4.5, 5, or 5.4 percent. I don't know.

[Lavin] Does that mean breaking off with the IMF?

[Escobar] We have discussed this with the IMF already and the IMF itself has recognized this uncertainty about the future. It would be irresponsible for me to say what the 1985 program will be like. We have fed the Central Bank computer with seven or eight different alternatives including different copper prices and interest rates. The computer indicates the fiscal and the current account deficits based on the copper price. I believe that in 1985 we will need foreign resources of about $1.5 billion.

[Lavin] It seems like a lot of money if we will get $780 million this year. Moreover, it is said that when a country requests a large amount of financing, the banks request that the debtor cooperate by making an internal adjustment.

[Escobar] Chile cannot afford further internal adjustments. I think that no country in the world has made such an abrupt internal adjustment as Chile has. The per capita GDP in Chile decreased by approximately 18 percent in 2 years. Another internal adjustment could bring about another drop in the GDP. Do you think the country can afford it?

[Lavin] It is not a matter of whether it can afford it but rather of knowing whether there are other alternatives. What will happen if banks lend us less money?

[Escobar] Of course, there are other alternatives. With $1.5 billion we would be able to finance that hypothetical deficit in the balance of payments by paying interest on our foreign debt and the economy would grow at a rate of 5 percent. Without this financing, we could still pay interest on the public foreign debt without any problems. We can finance this with our own resources because this debt reaches approximately 25 percent of our exports. And we do not have to guarantee the payment of the private foreign debt sustained by the financial and nonfinancial sectors. Why guarantee it if we do not get the financing?

IRANIAN OFFICIAL MEETS DEPUTY FOREIGN MINISTER

LD181139 Tehran IRNA in English 1110 GMT 18 Aug 84

[Text] Tehran, Aug 18, Irna -- Seyyed Mohammad Sadr, the Foreign Ministry's political director general for Europe-America affairs, currently visiting Colombia, met and conferred with the deputy foreign minister of that country Thursday. During the meeting, the Iranian official submitted foreign minister Velayati's message to be delivered to his Colombian counterpart. Sadr also informed the Colombian deputy foreign minister of the opening of an Islamic Republic embassy in Bogota. In reply, the Colombian official expressed hope for the re-opening of the Colombian embassy in Tehran soon.

SECURITY COUNCIL ANALYZES PUBLIC ORDER SITUATION

PA201230 Bogota EL SIGLO in Spanish 14 Aug 84 pp 1, 16

[Text] During a special session in which the public order situation was carefully analyzed, in view of the recent acts of violence in the country, the National Security Council said yesterday that the desire to hold a dialogue and the relentless search for peace should not be interpreted as weakness nor as a lack of ability to maintain order and to investigate and punish crime. The National Security Council has agreed to appoint special judges and to increase the security forces in Valle Department to fight the increasing crime rate. At the end of the meeting yesterday, the National Security Council issued an official communique announcing the new measures.

The text of the communique reads:

After holding a special meeting to analyze the country's public order situation and to consider the recommendations made last Saturday in Cali, the National Security Council reports to the people that the state's security corps and public forces have taken and are taking the required measures to guarantee the life, honor and property of Colombians throughout the country. Under no condition or special circumstances will the authorities swerve from their duty of fighting all forms of wrongdoing and organized crime. To carry out these tasks and to take better care of the investigations of kidnapping and extortion, special judges and their assistants will be sent to Valle Department. The number of public forces personnel will be increased in Cali and in the rest of the department. They will have up-to-date equipment necessary to fulfill their delicate mission.

The National Security Council is aware of the need to continue implementing the peace policy that the government has approved for the guerrilla groups that have expressed their desire to return to civilian life under the conditions and terms already known by the country. The groups that persist in disregarding the law will receive the same treatment from the authorities and public forces given to those that break the laws.

The National Security invites all citizens to cooperate with the authorities by providing any information they have on matters that deserve to be investigated, a requisite for the success of the fight against crime. The National Security Council believes that crime must be strongly repressed and that a dialogue and relentless search for peace cannot be interpreted as weakness nor as a lack of ability to maintain order and to investigate and punish crime.

BRIEFS

NEW DEPUTY HEALTH MINISTER -- Beatriz de la Vega Vargas-Vila was appointed deputy health minister yesterday replacing Maria Cristina de Taborda. [Summary] [Bogota EL SIGLO in Spanish 16 Aug 84 p 1 PA]

FEBRES ESCAPES INJURY IN SHOOTING ACCIDENT

PA211220 Quito Voz de los Andes in Spanish 1130 GMT 20 Aug 84

[Report by Raul Rodriguez]

[Text] Today President Leon Febres Cordero returns to Quito, after participating in several activities here in Guayaquil since late last Friday when he arrived in this city. The president almost suffered a serious accident with unforeseen consequences yesterday, when the pistol with which he was practicing jammed and he looked into the barrel of the gun to see what was wrong. The pistol unexpectedly went off, but fortunately, Febres remained calm and due to his experience in this sport, he kept his face away when the shot was fired. Channel 2 filmed this action, and could show the dangerous situation in which the president had been involved. After the incident, the president continued his practicing.

[Buenos Aires LATIN in Spanish at 0202 GMT on 21 August in a report on the incident adds: "A government spokesman said today that the life of the president was not in danger at any time."

PRESIDENT FEBRES INTERVIEWED ON REGIONAL ISSUES

PA200450 Bogota EL SIGLO in Spanish 17 Aug 84 p 3

[From Dario Hoyos Hoyos' "One Minute Notes" column]

[Text] A number of delegations that attended the inauguration of the new Ecuadoran president did not like Dr Leon Febres' inauguration speech or his style.

The climate was so tense between the outgoing president and the new one that they did not even greet each other at the beginning of the ceremony.

Febres' friends have attributed the defeat that the new president suffered during the first round of elections to former President Oswaldo Hurtado because the latter was on Rodrigo Borja's side.

They do not forgive Hurtado for the many occasions in which he inaugurated uncompleted works near the end of his term or the fact that he retired distinguished generals who Febres had planned to appoint to very important posts, including the Defense Ministry.

We interviewed Dr Febres on these matters:

First, he gave us the following explanation of his controversial nature in statements to EL SIGLO and the "Today's and Tomorrow's World" program, broadcast last night in a network hookup:

I think that telling the truth does not offend anyone. The Ecuadoran people needed to know the country's realities which I presented on Friday evening.

As for my personality, my temperament, they are well known by the Ecuadoran people.

I am a tough man because life has not given me anything. All my life I have had to work in private business and political activities in order to be able to arrive at this point.

I am a very firm man. I will change this country's situation for the good of the democratic system, stability, and our people's welfare.

Later, Febres spoke of his relationship with President Betancur and mentioned the agreements that could be reached in the immediate future.

Febres said: It has been a privilege, an honor, and a great personal satisfaction to meet President Betancur, who has been mentioned by the news media so often. Betancur impressed me as a man of extraordinary personality who looks at both domestic and international problems objectively and cooly.

The two of us discussed several problems ranging from the tremendous drug traffic problem, the Latin American countries' foreign debt, and the need to find peace in Central America, to relations among countries that were or still are Bolivar's homeland.

In addition, with Venezuelan President Lusinchi we discussed several problems related to trade among the three countries in our effort to find ways to increase trade.

We also discussed the need to basically change the Andean Pact's Decision 24 because we cannot afford to continue letting go of foreign capital without this capital helping us to build our countries' necessary infrastructures.

I reiterate that I will support the Contadora Group. Everything that is suitable for seeking peace for the Central American peoples via nonintervention and self-determination will enjoy this government's cooperation because they are the only bases with which to find peace.

Questioned on what he, who belongs to the upper class and has been linked to large industries, will do with "those from down under," Febres said: those who like me have come from down under know the problems encountered by people from this level, who are a majority. Mr journalist, I was not born wealthy, nor did I inherit a single cent. What I now have I have worked hard for. I have made a committment to especially work for the majority of needy Ecuadoreans.

BRIEFS

CONADE DIRECTOR -- Dr Oswaldo Davila Andrade has been appointed technical director of the National Development Council, Conade. [Summary] [Quito Voz de los Andes in Spanish 1130 GMT 16 Aug 84 PA]

NAVY MINISTER DU BOIS DEPARTS FOR TALKS IN BRAZIL

PY201425 Paris AFP in Spanish 1920 GMT 19 Aug 84

[Text] Lima, 19 Aug (AFP) -- It was reported in Lima today that Peruvian Navy Minister Vice Admiral Jorge Du Bois Gervasi today departed for Brazil on an official 8-day visit. He has been invited by his Brazilian colleague, Alfredo Karan. The vice admiral said that he was making the trip to strengthen even more the traditional friendly ties between the two Navies. He will also discuss matters of mutual interest and he will sign a memorandum of understanding regarding the transit and visits of war ships on border rivers, thus establishing the operational rules between the Navies of the two countries. The 8-day visit also includes a meeting with President Joao Figueiredo and visits to Brazilian Navy installations.

PERCOVICH DISCUSSES CASE OF MISSING JOURNALIST

PY210000 Paris AFP in Spanish 2138 GMT 20 Aug 84

[Text] Lima, 20 Aug (AFP) -- The disappearance of journalist Jaime Ayala took place in a special zone which is not under police jurisdiction, Interior Minister Luis Percovich stated here today. Ayala, a correspondent of the morning newspaper LA REPUBLICA in Huanta, disappeared on 3 August after going to a Marine barracks to file a complaint. Huanta is located in a zone placed under military jurisdiction due to the activities of the pro-Maoist Shining Path guerrilla group. Percovich said the Ayachucho military-political command and the attorney general have been investigating Ayala's fate and expressed his hope that Ayala will be found alive. Percovich also said that President Belaunde, with whom he met today, had expressed his concern about the excesses committed by police forces which last weekend violently repressed a demonstration by LA REPUBLICA journalists who were demanding their colleague be found.

Percovich noted that some 10 percent of the 60,000 Peruvian policemen were punished between 1983 and thus far this year, in order to uproot lack of discipline and abuse of authority. Among the punishments are separation from the force and trial before civilian or military courts.

BODIES OF 17 PERSONS FOUND NEAR AYACUCHO

PY201542 Paris AFP in Spanish 1629 GMT 19 Aug 84

[Excerpts] Lima, 19 Aug (AFP) -- It was reported today in Lima that the remains of 17 people, including women and children, with evident signs of having been tortured, were found yesterday, 18 August, in the Peruvian locality of Cocahuicchuna, located 15 km from the City of Ayachucho. The macabre discovery, which was reported by campesinos of the area and by travelers, was made when a group of journalists visited the area and verified that the bodies of children between 12 and 13 years old, women, and young men in an advanced state of decay and with signs of having been tortured had been thrown into a drainage ditch along the Lima-Ayacucho Libertadores Highway. Reports that have not been officially confirmed indicate that in the area of Huamanguilla, located 50 Km northeast of Ayacucho, the bodies of Professor Teodorso Oriundo Cuadros and of campesino Pedro Ore, who were murdered a few days ago, have disappeared from their common grave just as they were about to be officially identified by the prosecutor.

COURT SAID TO ORDER RELEASE OF FERREIRA'S SON

PY201757 Montevideo El Espectador Network in Spanish 1600 GMT 20 Aug 84

[Excerpts] According to information disclosed to El Espectador, Radio Sport, and Cadena de Oro at noon today by Uruguay Tourne [Wilson Ferreira Aldunate's lawyer] the military court has ordered the release of Juan Raul Ferreira Sienra. According to Tourne, the decision to release Juan Raul Ferreira was made at noon today.

RAPELA HINTS AT 'ANOTHER MILITARY INTERVENTION'

PY201505 Paris AFP in Spanish 1427 GMT 19 Aug 84

[Text] Montevideo, 19 Aug (AFP) -- Interior Minister General Julio Cesar Rapela has stated that the transfer of power to the civilian government that is elected in the November elections will be made gradually and not all at once. After stating that after 1 March 1985, when the new constitutional government will be installed, military personnel will continue to hold a considerable number of strategic government posts, he said the military government cannot step down abruptly because there would be a power vacuum. Speaking in Tacuarembo, 400 km north of Montevideo, the interior minister hinted at the possibility of another military intervention if the National (Blanco) Party headed by Wilson Ferreira Aldunate, who has been prosecuted, won the elections and disregarded the political-military pact that facilitated the elections.

General Rapela pointed out: It would be regrettable if after the elections we were compelled to ruin the efforts made by the politicians and the Armed Forces to find a viable solution to the transition from a de facto regime to a democratic government. Regarding the Blanco Party mobilization on Thursday during which many thousands of people demanded Ferreira Aldunate's release, the interior minister stated that the military government has ordered that all foreign party leaders who participated in the demonstration be expelled from the country. We are following the principle of not accepting foreign intervention, Rapela said in announcing the government measure, which was not implemented in the end because all the foreigners who participated in the demonstration had already left the country, including Socialist International Vice President Anselmo Sole, Luis Zamora, Rodolfo Escalada, Miguel Unamuno, and Vicente Saadi from Argentina, and Alcides Alvarado from Bolivia.

Asked whether the military regime could approve extending the deadline for the registration of electoral lists for the upcoming elections, which expires on 27 August, Rapela did not dismiss the possibility, saying that the government and the Armed Forces have repeatedly shown their firm purpose of facilitating the country's democratic institutionalization. Regarding the lifting of more political proscriptions, the interior minister said that 600 more cases are being studied, particularly of the leftist Broad Front.

In conclusion, asked about the role of the Armed Forces under the new constitutional government, General Rapela said that the Armed Forces will not participate in the new government, but rather will cooperate with it. He expressed his belief that it will be necessary for the Armed Forces to participate in some cases, but he said that it will be up to the constitutional government to request their participation.

CHRISTIAN DEMOCRATS DISCUSS ELECTIONS STAND

PY202159 Paris AFP in Spanish 1433 GMT 20 Aug 84

[Text] Montevideo, 20 Aug (AFP) -- The Uruguayan Christian Democratic Party (PDC) has joined in support of those who advocate two successive presidential elections if by the time of the November elections there are still banned persons and parties. The PDC is currently part of the left-wing Board Front, a coalition that will participate in the elections under the Christian Democratic label. The PDC national convention will strongly advocate within the framework of the Board Front a 2-year presidential term after which new elections will be called, free of individual or group bans, according to a declaration issued in this regard. It was recalled that the ban has been lifted from this left-wing coalition, (?with the exception) of its most extreme faction and the Communist Party.

EX-SPANISH PRIME MINISTER SUAREZ ORDERED TO LEAVE

PY210300 Madrid EFE in Spanish 0120 GMT 21 Aug 84

[Excerpts] Montevideo, 21 Aug (EFE) -- Adolfo Suarez, former Spanish prime minister ordered to leave Uruguay before 2325 GMT on Tuesday, is calmly awaiting the time to leave after having been apprised of the decision by the administration of General Gregorio Alvarez. General Alvarez, the last president of the regime which on 27 June 1973 severed the constitutional order, used against Suarez a law dated 1959 dealing with the powers of the executive branch to rule on the stay in the country of any foreigner and which does not require stating the causes for the final decision.

EFE has had access to the resolution which states: "Montevideo, 20 August 1984. Dr Adolfo Suarez, you are hereby notified that in keeping with an Interior Ministry resolution dated today and in accordance with the provisions of Article 4 of the decree issued on 5 November 1959, you are ordered to leave the country within 24 hours as of the time of this notice." Adolfo Suarez refused to sign the "acknowledgement" of the above-mentioned notice unless lawyer Rodolfo Canabal, chairman of the Uruguay Bar Association was present. For 2 hours the officials of the Interior Ministry awaited the lawyer and once he arrived the following note was drawn up and signed by Suarez:

"In Montevideo at 2025 (2325 GMT) on 20 August 1984, I, Adolfo Suarez, the bearer of Spanish diplomatic passport No 169 acknowledge the resolution conveyed to me. I hereby state that I am unaware of the reasons that have prompted the measure and that I am certain that I have committed no actions capable of explaining or justifying it." Suarez' 24-hour deadline to leave Montevideo went into effect as of 2325 GMT. He will depart on Tuesday for Buenos Aires on board one of the regular flights between Montevideo and Buenos Aires. Lawyer Canabal told EFE that the article on which the resolution against Adolfo Suarez is based has to do with the power of the Uruguayan executive branch to rule on the stay in the country of foreigners who have not been granted residence permits. Carlos Alberto Maeso, Uruguayan foreign minister, this afternoon told the press that Suarez had been warned against engaging in political activities. The Spanish Embassy in Montevideo confirmed to EFE that Suarez had indeed been expelled. The former Spanish prime minister said that "I am not prepared to accept, under any circumstances, the suggestion that I have been interfering in the domestic affairs of this country, nor that I have come to engage in politics."

In a brief statement made at his hotel room, the man who conducted Spain's transition to democracy announced that he will continue cooperating with the lawyers who are defending opposition leader Wilson Ferreira Aldunate up to the very moment when he will have to leave Uruguay. The team of lawyers headed by Uruguayan Rodolfo Canabal "has the defense perfectly organized. The charges have no legal basis whatsoever and every expert agrees that this is a political trial," Suarez said.

COLON CHAMBER WANTS SCHOOL OF AMERICAS TO REMAIN

PA202155 Panama City YA in Spanish 20 Aug 84 p 6

[Article by Joaquin Maizon]

[Text] The Southern Command announced yesterday that the U.S. School of the Americas at Fort Gulick will be closed on 30 September, according to the guidelines of the 1977 Panama Canal Treaty. It has been reported that the School of the Americas will be relocated, but the relocation site has not been decided.

Meanwhile, the Colon Chamber of Commerce, Industries, and Agriculture recently tried to exert its influence on top government circles in order to prevent the school's closure. Julio Luque, president of the chamber, says that this center should remain open because one of the clauses in the treaty states that "U.S. authority to offer classes to Latin American personnel at the School of the Americas expires 5 years after the treaty goes into effect, unless both governments enter into a different agreement in this regard." Prior to this, the Colon Chamber of Commerce had told the national government that the closing of the school would create difficulties for Colon's economy; it has suggested talks to find a satisfactory solution to the problem.

Figures issued by the School of the Americas illustrate the economic impact that the school has had on Colon. We suppose, Luque concluded, that with rising costs the figures cited by the school have increased.

CONADESOPAZ COMMUNIQUE OPPOSES PLUTONIUM SHIPMENT

PA200128 Panama City LA PRENSA in Spanish 19 Aug 84 p 8 A

[Text] The National Committee for Defending Sovereignty and Peace, Conadesopaz, has issued a communique denouncing the danger involved in the transit of a vessel carrying plutonium through the Panama Canal. This is the text of the communique:

Conadesopaz, hereby addresses itself to the Panamanian public in order to denounce the danger entailed in the transit of a vessel carrying plutonium through the Panama Canal. As we are all aware, plutonium is a basic radioactive material used to make nuclear bombs. It has been reported that the amount of plutonium to be taken through the canal is more than enough to make 32 atomic warheads, each of which might suffice to wipe entire cities from the map.

As is understandable, the transportation of these types of nuclear materials has been closely and severely considered in international maritime law with the express purpose of avoiding unnecessary exposure to radiation dangers by countries not involved in the nuclear materials exchange. It is completely unnecessary for Panama to submit to the risk of receiving a nuclear load that is to move through the country's center, precisely where most of the population is concentrated in its territory. This load could very well be transported via this continent's southern tip, thereby avoiding populated areas.

It is totally unacceptable that matters of so fundamental an importance for the country's safety and the lives of its people be irresponsibly and arbitrarily decided by U.S. authorities, without any consideration for the will of Panamanians. We hereby denounce this stance by U.S. authorities as one that violates the Torrijos-Carter Treaties, the basic purpose of which is to grant Panamanians the right to make their own decisions on things related to their security and national welfare. We appeal to all citizens to make a pronouncement rejecting the planned transit of the plutonium-loaded vessel through our country.

PALA MEMBERSHIP DEMANDS LEADERSHIP CHANGES

PA161509 Panama City LA PRENSA in Spanish 16 Aug 84 p 1 A

[Text] An internal schism has developed among the Labor Party's (PALA) rank and file, which is composed of the BOP (Organized Labor Party Rank and File) [Bases Organizadas del PALA]. They met yesterday to discuss the urgent need to "renew" the party's leadership. The BOP complains that current directors Carlos Eleta Almaran, Azael Vargas, and Campos Elias Munoz have exercised an absolute and artibrary mandate, far removed from democratic principles and without any participation of the rank and file. The BOP has issued a resolution asking the party's leaders to resign their posts in order to renew leadership and warning them that if they do not accept, either the rest of the National Directorate will be gathered, or a national convention will be convoked to replace them. According to several PALA leaders, the BOP has reached the consensus that the renewal of the National Executive Council, the PALA's leading body, should be the responsibility of and be directed by Agricultural Development Minister Ramon Sieiro.

COLOMBIAN SHIP SEIZED LOADED WITH MARIJUANA

PA180428 Panama City Televisora Nacional in Spanish 0000 GMT 18 Aug 84

[Text] A marijuana shipment, with an estimated value of $15 million, was discovered by Panamanian authorities aboard the Colombian-registered ship Neptuno. The ship's seizure took place at noon yesterday, some 130 nautical miles off the Panama Canal's southern entrance. The Commander Omar Torrijos patrol intercepted the ship and inspected its hold, discovering the sacks of marijuana. Ten Colombian crew members were traveling aboard the ship. This morning they were still under arrest and handcuffed on the foredeck of the captured ship.

COLUMN DECRIES 'EXCESSIVE' MILITARY SPENDING

PA202303 Panama City LA PRENSA in Spanish 20 Aug 84 p 1 A

["As of Today" column]

[Text] Panama's economy and the Panamanian Government's financial situation are in critical shape. All sectors of the economy are facing the hardships of both domestic and foreign factors which are further complicated by political instability, widespread corruption, and doubts -- that arise from the fact that it does not represent the people -- as to the government's capacity to find effective solutions. The public is shaken daily by new scandals, proof of government inefficiency, and the absence of any patriotic zeal in the handling of public affairs. While the people suffer the consequences of a fiscal squeeze that translates into a deterioration in public services, it looks on with anger as public funds are wasted irresponsibly in other government offices. Panamanians cannot tolerate the fact that while basic elements are lacking in the country's schools and hospitals, the Defense Forces hold a military exhibit in which the most most modern, varied, sophisticated, and costly weapons and war materiel are shown. The excessive increase in military spending under the pretext of defending the Panama Canal has become a crucial issue to Panamanians.

COSTA RICA

U.S. 'PRESSURE' SEEN IN BANK REFORM ISSUE

PA190006 San Jose LIBERTAD REVOLUCIONARIA 11-18 Aug 84 pp 1, 3

[Unattributed article: "The Yankee Ambassador Is Blackmailing the Government"]

[Excerpt] Strong pressure from the U.S. ambassador and the Agency for International Development underlies the changes sought in the currency law and in the Central Bank's organic law, to the detriment of our national sovereignty. Indeed, the Central Bank reforms would constitute a serious blow to our nationalized banks and would serve to benefit only national and foreign capitalists. It has been said in legislative circles that U.S. Ambassador Curtin Winsor has held back some $23 million in AID funds for our country, trying to apply pressure and to ensure the approval of reforms to the currency law and particularly to Clause 5, Article 62 of the Central Bank's organic law. The attitude assumed by this "diplomat," who has once again interfered in our domestic affairs, has produced justified rejection from deputies of various factions of the congress, who base their opposition to the reforms on the position that U.S. interference is taking place in an issue that should be the exclusive affair of Costa Rica.

EL SALVADOR

FMLN SAYS HONDURAN TROOPS SHELL LOS CIPRESES

PA180200 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 18 Aug 84

[Text] On Friday, Honduran troops stationed in the zones bordering our country shelled the area known as Los Cipreses in Morazan Department. Los Cipreses was also shelled by Honduran troops on Thursday. For the past 2 weeks, incursions into Salvadoran territory and attacks with mortars have been frequent in this border zone. Attention to this information received by Radio Venceremos. Two peasants have been killed as a result of the shelling of Salvadoran territory by Honduran troops.

VENCEREMOS REPORTS ON FMLN ACTIONS, CASUALTIES

Controls Part of Highway

PA172247 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 17 Aug 84

[Text] Attention: We have more information. Today, 16 August, the FMLN seized control of the Coastal Highway from approximately 0500 to 0700. The report indicates that our guerrilla units controlled a stretch of the Coastal Highway near (Piedra Pacha) canton and destroyed two trailers and four fuel trucks. The unit also distributed propaganda and held a meeting with area residents. The enemy arrived after our forces had withdrawn. We are attacking everywhere! We are growing! We are advancing in the war of revolution!

Claims 288 Casualties

PA180422 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 18 Aug 84

[Text] We begin our military information by reporting that at 0600 this morning FMLN forces ambushed troops of the 4th Infantry Brigade who were being transported along the Northern Trunk Highway.

Today, Friday, 17 August, rebel forces staged a successful ambush at 0600 on dictatorship troops on the Northern Trunk Highway. The troops, which belong to the 4th Infantry Brigade of Chalatenango, sustained casualties that Radio Venceremos will report as it receives further details from the Modesto Ramirez Central Front.

FMLN forces clashed with troops of the Negroponte Battalion -- formerly known as the Arce Battalion -- and inflicted serious wounds on an Army captain and other casualties near Sesori. The report indicates that at 0800 on Friday, 17 August, units of the Rafael Arce Zablah Brigade clashed with a unit of the Negroponte Battalion near Espiritu Santo Canton, not far from Sesori in San Miguel Department. We seriously wounded four of the enemy, including one captain who was commanding a Negroponte Battalion company. After the action was completed, our rebel forces withdrew without any problem.

We have a report from northern San Miguel Department where FMLN forces are dealing sharp blows on the dictatorship's troops. It says that units of the Rafael Arce Zablah Brigade inflicted two more casualties on the Negroponte Battalion. We repeat: Our forces inflicted two more casualties, two wounded, on the Negroponte Battalion near Sesori. The report adds that one of the four wounded this morning in northern San Miguel Department is a sergeant.

In the past 25 days, our military units have inflicted 288 casualties on the enemy. Our rebel army is weakening the troops headed by eight U.S. colonels.

San Miguel, Morazan Attacks

PA191818 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 19 Aug 84

[Text] The FMLN has inflicted six casualties on the Negroponte Battalion, formerly known as the Arce Battalion, in northern San Miguel Department. These casualties include an Army captain and a sergeant. Here is the report:

On the afternoon of Friday, 17 August, clashes took place in El Espiritu Santo canton near Sesori in northern San Miguel Department. We seriously wounded six members of the dictatorship's troops. These include a captain and sergeant. The name of the captain is Sergio Milton Reyes Cabrera and the sergeant is Nelson Martinez Hernandez.

In this way, the gringo-trained Negroponte Battalion in northern San Miguel suffers the harassment and punishment of our armed people. The attrition against it has been made evident in that zone in recent days. On this occasion we inflicted six casualties near Sesori.

Guerrillas advance! Make our fatherland unbearable for the oligarchs and their puppet Army!

In fighting in Morazan Department, north of the departmental capital of San Francisco Gotera, the Miami Battalion, formerly known as Morazan Battalion, suffered one wounded near Lolotiquillo. The Bush Battalion, formerly known as the Lenca Battalion, suffered three wounded in fighting with our forces in the area of (Llano del Nace) in Delicias de Concepcion. These three wounded included a corporal. This attack also took place north of San Francisco Gotera.

Clash With Arce Battalion

PA191830 (Clandestine) Radio Venceremos in Spanish to El Salvador 1400 GMT 19 Aug 84

[Text] Attention, we are getting a last-minute report from norhtern San Miguel Department. The report indicates that on Saturday afternoon FMLN forces clashed with units of the Negroponte Battalion, formerly known as the Arce Battalion. A soldier of the Negroponte Battalion was killed in this clash on San Gerardo hill in northern San Miguel Department.

GUATEMALA

GEN LOBOS VIEWS COUNTRY'S MILITARY SITUATION

PA210322 Guatemala City EL GRAFICO in Spanish 19 Aug 84 p 2

[Text] Deputy Head of State General Rodolfo Lobos Zamora has reported that troops have been mobilized all over the country to face subversion and that the country's military situation is very positive because the entire country is under control and Army members are making all possible efforts to maintain this control. Gen Lobos Zamora said: "Subversion is positively under control. We have sent troops to all parts of the country. These troops have been dispatched from the military zones created some time ago."

"In this way, we are more able to make plans, make decisions and deploy our forces more effectively."

He also asserted: For this reason, we can say we exert considerable control throughout the country. Then, he added that the soldiers' morale is high and satisfactory, considering the manner in which control operations are carried out.

Culross Clearly Interested in Learning the Truth

Regarding Count Culross' visit to Guatemala and his declarations to Lobos Zamora, the latter said: My conversation with him, which was very pleasant, dealt with his interest in fulfilling his mission. Mr Culross has studied Guatemala's situation carefully and has visited places which many of us might not have visited; that is, the remainder of us Guatemalans.

Culross has shown great interest and worked willingly. Of course, because of his special mission, he has received all kinds of reports, and some of them have been rather misleading. It is up to him to determine, after analysis, which reports are valid and which are just misinformation. He must draw his own conclusions.

Guerrillas

Questioned on the initial plan, which Culross already had, to hold talks with some members of guerrilla groups, Lobos Zamora replied: This is a matter to be decided by him. Mr Culross would have to get in touch with them. We all know that the situation is irregular. For this reason, he will have to devise means to hold talks with the guerrillas. He could also talk to those who are out of the country namely, sectors that have become sources of misinformation. These sectors make efforts to harm Guatemala, not the government.

HONDURAS

FURTHER REPORTAGE ON CABINET RESHUFFLE

NOTIMEX on Changes

FL202016 Mexico City NOTIMEX in Spanish 1838 GMT 20 Aug 84

[By Miriam Mercado, correspondent]

[Text] Tegucigalpa, 20 Aug (NOTIMEX) -- Horacio Elvir Rojas, deputy secretary of government, has announced that some of the new ministers who will make up President Roberto Suzao Cordova's cabinet would be sworn in today.

Assurances were given this afternoon that the replacement for Secretary of State for the Presidency Carlos Flores Facusse would be sworn in. Last Saturday, Flores had returned to his position as manager of the local daily LA TRIBUNA. Elvir Rojas said that part of President Suazo Cordova's new cabinet would be sworn in today and the rest would take office in the next few days.

The removal of the influential secretary of state for the presidency caused astonishment in political circles and the news media said the purpose of the cabinet resignation scandal was to remove Carlos Flores. The secretary of state for the presidency will also return to the National Congress. He will have to begin anew his struggle to be the Liberal Party's candidate for president in the 1985 elections, according to the announcement.

Local political sources said that since Suazo Cordova assumed the presidency in 1982, Flores has been the most influential minister in the cabinet and the politician who had the president's support to be the Liberal Party's candidate.

New Members Names

PA201937 Tegucigalpa Domestic Service in Spanish 1850 GMT 20 Aug 84

[Secretariat of Press and Information of the Presidency communique; date, place not given -- read by unidentified speaker]

[Text] In accordance with the constitutional power bestowed upon President Dr Roberto Suazo Cordova by Article 245, Point 5, he has issued the following resolutions today:

1. Secretary of state for:

government and justice	Arnulfo Pineda Lopez
president office	Ubodoro Arriaga Iraheta
finance and public credit	Manuel Antonio Fontecha Ferrari
economy and commerce	Miguel Orellana Maldonado
executive secretary of the higher council of economic planning	Daniel Meza Palma
executive director of the national agrarian institute	Gustavo Adolfo Alfaro

2. Moises Starkman Pinel has been appointed minister-adviser of the presidency with specific functions in financing and investments and journalist Antonio Mazariegos Velasco has been appointed secretary of the Pressand Information Office of the Presidency.

3. The following will continue as secretaries:

foreign affairs secretary	Edgardo Paz Barnica
communications, public works and transport secretary	Carlos Handal

culture and tourism secretary	Victor Caceres Lara
labor and social welfare secretary	Amado H. Nunez
public education secretary	Fausto Castillo Suazo
defense and public security secretary	Colonel Amilcar Castillo Suazo
natural resources secretary	Miguel Angel Bonilla
public health secretary	Dr Ruben Francisco Garcia Martinez

4. The reorganization carried out by the constitutional president of the Republic is solely due to the power bestowed upon him by the Constitution and has the objective of making the appropriate adjustments to make state affairs more dynamic on behalf of the country's high interests.

5. This decision is not based on any kind of internal or external pressures or influence. It is based on the achievement of the above objective.

[Signed] Secretariat of Press and Information of the Presidency of the Republic

Suazo at Swearing-In Ceremony

PA210052 Tegucigalpa Domestic Service in Spanish 2220 GMT 20 Aug 84

[President Roberto Suazo Cordova speech at swearing in ceremony for new members of his cabinet at Presidential Palace in Tegucigalpa on 20 August -- live]

[Text] Before addressing myself to the new members of my cabinet, I will sign Accord 241 creating the office of presidential adviser at the rank of minister. The minister is Moises Starkman. In this way, the act by Presidential Secretary Ubodora Arriaga appointing Moises Starkman presidential adviser is legalized.

In addition, through Accord 244 journalist Marco Antonio Mazariegos Velasco has been appointed information and press secretary. His appointment will be effective as of the date he assumes office. Messrs Ubodoro Arriaga Iraheta, Manuel Fontecha Ferrari, Gustavo Adolfo Alfaro Zelaya, Daniel Meza Palma, Moises Starkman: Today, 20 August 1984, in accordance with the powers specifically granted me by the Constitution, I have the honor and the satisfaction of appointing you to your respective positions. I hope you will occupy these positions with the integrity and ability that characterizes you. These changes in a democratic regime should not surprise anyone.

I want to take this opportunity to confirm what was said in a press release. Neither the IMF, the World Bank, the U.S. State Department, any other organization of the Reagan administration, the U.S. Embassy, the Armed Forces, nor any person has had any influence whatsoever in the decision I have made. I have only applied the Constitution. I am fully empowered to remove any official who is subject to executive power.

Although some have made comments to the contrary, I will not meddle in the judicial branch's internal affairs. The branch's officials will do whatever they deem convenient. The president has specific functions and I will not violate the law regarding this. Of course, we will not be able to avoid rumors.

In addition, I have the great satisfaction of having appointed your fellow journalist, Marco Antonio Mazariegos Velasco. He will be your companion, friend, and brother. I hope you will applaud his appointment because he is your friend. You don't have to, but I know you will do so spontaneously. He will receive his instructions and will continue to be received as warmly and affectionately as ever.

As I have already stated, I expect the cooperation of the news media because I know that you journalists can either orient or disorient a country's opinion. We can be satisfied that we live in a fully democratic regime where everyone can say whatever is on their minds.

Some days ago, I told a newsman that I hoped that everything said here was also conveyed abroad. We have always respected journalists and expressed our warm affection for you. You have always had a friend and a brother in me. As I have said before, I will never become intoxicated by power. You and I are equal before God. In 16 or 17 months I will say to the Honduran people, with my head held high, that I have fulfilled the mission that the people assigned to me on 29 November 1981 when the Liberal Party and the remainder of the parties in Honduras took me to power.

I think I will feel satisfied for the rest of my life. It is true that perhaps the most difficult times in Honduras' political history have befallen me especially because of the economic crisis we have confronted and which is being confronted by all the countries -- it is a problem of recession in the world -- and the geopolitical conflict of Central America. It is a problem of subversion in the area where international communism is trying to sow chaos and anarchy.

For this reason, I have always said that we Hondurans are part of an intelligent nation. We will never let this red-and-black flag replace the blue-and-white flag with five stars that represents the dignity of the Honduran people, I have faith and confidence in the Honduran people. I have almost reached the end of my term.

Once again, in Juticalpa, I was shown affection and support by the Honduran people. I want to take this opportunity to express my solidarity and give thanks to the Armed Forces members, both rank and file as well as officers, who have also supported me in this great struggle we are waging for the country to follow a correct course.

We will orient this country so that the next government can take office. Although I will be criticzed, I am fairly sure the new government will be formed by the Liberal Party. This government will be based strictly on peace. I know I have been criticized. However, we live in a democracy. President Reagan, also lives in another great democracy, also participates in struggles. Therefore, why can't the Honduran democracy also express its feelings through its president. I am a Liberal and will die a Liberal.

In addition, as former president I will carry the blue-and-white flag with the five stars. Perhaps, after the year 2000, I will also carry the red-white-red flag of the Liberal Party. I want to speak as frankly as ever. I hope you journalists will cooperate with us in the final stage of this government. Let politicans politicize. We are doing all in our power.

I have faith and confidence in those who have just been appointed -- they are known by all -- and I am sure they will continue to give this government their best cooperation by working full time because the Honduran people expect the best from us. Again, my sincere congratulations to the ministers appointed and particularly journalist Velasco, as well as all of you who have come to this swearing-in ceremony to make ti more solemn.

'Scandal' Behind Resignations

PA201632 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 20 Aug 84

[Text] In this morning's edition, the Tegucigalpa newspaper EL HERALDO said that another scandal is behind the cabinet members' resignations, and that the Military High Command has defended the Honduran Armed Forces' morality.

According to EL HERALDO, behind the president's request to his cabinet members and closest collaborators to submit their resignations, there is another scandal of greater proportions, which could mean the end of someone's political career.

In fact, there is more to it than merely changing an economic cabinet that has not achieved the expected results. International organizations such as the AID, IMF, IDB, the World Bank, and even the Armed Forces have been discretely exerting pressure in order to have these changes come true.

Apparently, it has been disclosed through certain documents that some politicians had been seeking the support of members of the Armed Forces, by offering illegal favors, which prompted the reaction of the top commanders. The attempts to create this alliance surfaced through certain consessions that reportedly led to military investigations that unveiled the operations. In learning about the situation, the Honduran president preferred to ask for the registration of his top government officials, in order to cover up the removal of the official involved in the matter.

When President Suazo Cordova personally welcomed the secretary of communications, public works and transportation at the airport, this procedure was considered odd, since it is unusual to see the president going to the airport to meet one of his subordinates. However, it is now believed that the president wanted to talk with someone he could trust after his meeting with the Armed Forces command, and this friend is Carlos Handal y Handal.

The details of the matter are being handled with utmost discretion, in combination with the scandal at the Juticalpa Normal School, which has diverted attention from the first scandal, which apparently is bigger and more important.

A communique clarifying the situation is expected in order to prevent speculations and harm to the reputation of the ministers and top officials whose resignations will be accepted. If the changes were only due to aspects related to economic policy, only a few ministers and government officials would have been asked to resign. However, generalizing the request seems to be aimed at concealing the name of the official who prompted the decision to make cabinet changes.

A recent statement made by the president in the sense that he will not support any of the presidential aspirants is very significant, and proves that the general coordinator of the Rodista Liberal Movement had experienced a change in attitude.

The report published today by EL HERALDO does not mention the name of the official reportedly involved in an alliance with members of the Armed Forces, which supposedly motivated the massive resignation of government officials, requested by the president of the Republic.

SOLUTION SOUGHT TO EL SALVADOR BORDER PROBLEM

PA201444 Tegucigalpa Domestic Service in Spanish 1130 GMT 20 Aug 84

[Text] Honduras will explore the possibility of arriving at a direct solution of the border problem with El Salvador, a Foreign Secretariat spokesman has said. The source said that if this is not possible, the government is prepared to go before the International Court of Justice at The Hague, as agreed upon in the general peace treaty signed by the two countries. The joint border commissions of Honduras and El Salvador will meet next week in the capital of Cuscatlan, El Salvador, to continue talks on the border delineation.

At the meeting scheduled for next weekend, the Honduran Government will speak with spokesmen from the Salvadoran Government of the possibility of a direct solution, in view of the slowness of the negotiations. The source said that El Salvador should understand that to improve relations with Honduras, it must be more considerate in regard to solving the problem as quickly as possible, because this would contribute to the peace efforts being made in the area.

NICARAGUA

U.S. STATEMENT ON PUNTA HUETE AIRPORT CRITICIZED

PA201429 Managua Radio Sandino Network in Spanish 1200 GMT 20 Aug 84

[Commentary by Carlos Chamorro Coronel: "Goliath's Worries"]

[Text] The tide has turned. The lion is afraid of the mouse: Goliath is shaking with fear because David's sling is loaded with rocks that cut like machetes. We arrive at this conclusion based on the statement made by the spokesman of the U.S. State Department after Nicaragua formally announced that it is building a military airport at Punta Huete. The State Department's official statement unabashedly states that the United States cannot hide its concern over Nicaragua's disproportionate militarization vis-a-vis its defensive needs. Such nerve on the part of a military superpower whose forces are overwhelming superior to those of a tiny country like Nicaragua armed with four beat-up aircraft and a half dozen light seafaring vessels. How can the United States speak of destabilization of the region when it has everything and Nicaragua has practically nothing?

The magazine SOBERANIA recently reported the plan to invade Nicaragua that includes hundreds of planes, ships, and tanks. Yet, the United States expects that we relinquish our defense. That is what upsets the Americans. They know that their forces and ours cannot be compared; to establish a comparison is ridiculous and absurd. Americans fear -- and they have good reason to do so -- the fighting disposition of the Nicaraguan people who have twice defeated them in the past. In 1856 we defeated the slave trader and pirate William Walker, and Sandino's crazy little army subsequently threw them out of our country in disgrace. It is Sandino's wide-brimmed hat that instills panic in them and -- like Manolo Cuadra used to say in reference to Miguel Angel Ortez, Sandino's assistant -- makes the Yankees wet their pants. Now the sight of the caps of Sandino's followers make those proud Marines and the Somozist bandits, their hound dogs, shake with fright. Goliath, armed to the teeth, trembles at the sight of David, loading his sling to defend his untamed mountains and rolling hills shouting his brave war cry: Sandino lives on! They will not come in!

SERGIO RAMIREZ RETURNS FROM ECUADOR VISIT

PA201948 Managua Sistema Sandinista Television Network 0200 GMT 20 Aug 84

[Text] On Monday, government junta member Sergio Ramirez returned from Quito where he attended the inauguration of the new Ecuadoran president.

[Begin Ramirez recording] We think that the tour has been positive in every way. It served to renew contacts and to make known Nicaragua's position on the aggression we are suffering as well as to express our reiterated support for peace in Central America. [end recording]

RAMIREZ REACTS TO U.S. WARNING ON MIG'S

PA201711 Panama City ACAN in Spanish 1639 GMT 20 Aug 84

[Excerpt] Managua, 20 Aug, (ACAN-EFE) -- The Nicaraguan Government, reacting to U.S. warnings, has ratified its right to acquire "all the necessary means" for the defense of its sovereignty. It was reported here today that Sergio Ramirez, member of the Junta of the Government of National Reconstruction, replied to U.S. warnings that if Nicaragua acquires Soviet MIG's "it would upset the balance of power in the area."

U.S. State Department Spokesman John Hughes stated in Washington on Friday that his country had told the Soviet Union and Cuba that it "would be very concerned if either country supplied fighter planes to Nicaragua. Ramirez said in Esteli, in northern Nicaragua, that all this "is part of the old story of threats with which the United States is trying to put us on the defensive.

"It doesn't matter what we do because they (the Americans) are acting on the premise that Nicaragua will be attacked anyway," Ramirez said during a political (?rally) promoting his vice presidential candidacy.

Further Report

PA210222 Managua Radio Sandino in Spanish 1830 GMT 20 Aug 84

[Text] Managua -- Nicaragua will not renounce its right to obtain the defense means necessary to defend its sovereignty, Sergio Ramirez Mercado, FSLN vice presidential candidate, has asserted while referring to recent statements by North American officials regarding the possibility that Nicaragua might obtain figher planes.

He said that the North American attitude is part of the old history of threats with which they are trying to place us on the defensive because regardless of what we do they start from the premise that Nicaragua will be attacked all the same. Ramirez Mercado added that Washington has already earmarked $400 million for the destruction of the Sandinist revolution and that the losses caused by the aggression represent over $200 million.

WHEELOCK RETURNS FROM BRAZIL, ARGENTINA, PERU

PA201445 Managua Radio Sandino Network in Spanish 1200 GMT 20 Aug 84

[Text] Commander of the Revolution Jaime Wheelock, Agricultural Development and Agrarian Reform minister, Midinra has described his working tour of Argentina, Brazil, and Peru as very fruitful. Wheelock, who arrived in the country last night, prasied the solidarity and support that the Sandinist peoples revolution obtained from the governments and peopes he visited.

Wheelock met with Argentine President Raul Alfonsin who expressed concern over the situation of aggression being experienced by Nicaragua. The Midinra minister also met with Brazilian Foreign Minister Ramiro Saraiva Guerreiro, Rio de Janeiro parliament members, and private businessmen who voiced their solidarity with Nicaraguan people and government.

BORGE DISCUSSES RESULTS OF UPCOMING ELECTIONS

DW201003 Mainz ZDF Television Network in German 1730 GMT 17 Aug 84

[Interior Minister Tomas Borge interviewed on the "Auslands-Journal" program by correspondent Harald Jung; date, place not given; in Spanish with superimposed German translation -- recorded]

[Text] [Jung] Theoretically at least, the Sandinists are jeopardizing their power in the forthcoming elections. Do you think defeat is possible?

[Borge] I do not think the people of Nicaragua will turn their backs on the Sandinists. That would be tantamount to turning their backs on history.

[Jung] To stay with the hypothesis, what happens if the majority decides in favor of other political parties?

[Borge] You might as well assume that in the near future I will board a spaceship and fly to Jupiter. Who could stop me from doing that?

[Jung] Can you visualize yourself as the leader of a parliamentary opposition?

[Borge] I have never thought about it at all.

[Jung] Fidel Castro once said that he was not a Leninist because he rejected all forms of dictatorship, including that by the proletariat. What is your opinion about that?

[Borge] I am not familiar with that statement, but if he did say that, then it does to show the he has developed further because Fidel Castro says today that he is a Marxist-Leninist.

[Jung] Is there any difference between Marxism-Leninism and Sandinism?

[Borge] Sandinism is the critical theory applied to the reality of the country.

SOLIS ON ELECTIONS, AID TO COUNTERREVOLUTIONARIES

FL201144 Mexico City NOTIMEX in Spanish 2243 GMT 18 Aug 84

[Text] Mexico City, 18 Aug (NOTIMEX) -- Rafael Solis, secretary of the Nicaraguan Council of State said here today that the reelection of U.S. President Ronald Reagan will make negotiations for peace in Central America more difficult. When he was interviewed at Mexico City International Airport, Commander Solis said the military assistance given by the Reagan administration to Nicaraguan counterrevolutionaries constitutes an attmept to impose a radical military solution that bears no relation to dialogue. Before he left for Managua, Rafael Solis said Nicaragua will continue its exploratory conversations with the United States with the purpose of examining their differences and reaching a bilateral understanding. Regarding the San Jose pact under which Mexico and Venezuela supply 130,000 barrels of crude oil daily to 10 Central American and Caribbean countries, Solis said it contributes to Nicaraguan development. He said that, despite U.S. aggression, the Nicaraguan presidential elections will be held on 4 November 1984. Commander Rafael Solis participated in the International Parliamentary Congress on Population that ended last Thursday in this capital.

FSLN'S BELLI ON DIALOGUE, PARTICIPATION

PA181824 Managua Radio Noticias in Spanish 1200 GMT 17 Aug 84

[Excerpts] The Democratic Colrdinating Board [CDN] has asked: When will the national dialogue begin? FSLN member Gioconda Belli [FSLN delegate to the National Council of Political Parties, CNPP] answers:

[Begin Belli recording] The CDN has been looking for various excuses to justify its non-participation in the electoral process. Since proposing their nine points, they have now changed their stance and are calling for a dialogue. (?It is important to note) that this dialogue . . . [leaves though unfinished] In the weeks prior to the expiration of the registration deadline, more specifically on 18 July, the Sandinist Front, (?through) Political Committee Coordinator Commander Bayardo Arce, invited all the political parties to a meeting, but the CDN said that this call by the Sandinist Front was just propaganda to take advantage of the fact that many journalists were here to attend the 19 July celebrations. In fact, the Sandinist Front had not made a public invitation, but had instead invited them privately. They were the ones who publicized the letter inviting them to the meeting. [Words indistinct] about five meetings were held between the various parties and the Sandinist Front, but the CDN representatives attended only one. Subsequent meetings were attended only by representatives of the Social Christian Party, as members of a social Christian party.

Various dialogues have been held and continue to be held here in Nicaragua, for instance at the State Council or at the meetings mentioned above. Numerous dialogue and communications channels have been opened between the National Directorate and the various parties. I do not know what they mean when they talk about a national dialogue, because dialogues have already been held, with all the parties expressing their needs and concerns, and responses have been given to all those concerns and proposals that were considered reasonable. What these parties are doing through their proposals is lending themselves to the Reagan administration's maneuvers to invalidate the Nicaraguan electoral process. I am sure that if a dialogue were accepted, other conditions would be set. We have seen this every time they have set conditions. They are always trying to trap us in order to discredit the revolution abroad. They like to pose as great martyrs, the great opposition members deprived by the revolution of the conditions needed to take action. However, I think it has been quite evident for the people that our actions with regard to these parties have been flexible and that we have tried to provide them with all the conditions needed to hold free and honest election. [end recording]

Various sectors abroad and even some national media claim that the Nicaraguan elections will be held without any opposition, a reference to the absence of the political organizations comprising the CDN, Belli responded to this.

[Begin Belli recording] This is the idea that the CDN is trying to sell, when the reality is that the country's true opposition is participating, because if we analyze the importance of these parties, the Independent Liberal Party, PLI, and the Conservative Party are more important than the Social Democratic Party, which is practically (?a union of LA PRENSA) [words indistinct] or the Constitutionalist Liberal Movement, whose members probably number fewer than 50.

The PLI, the Democratic Conservative Party of Nicaragua, the Popular Social Christian Party, the Nicaraguan Socialist Party, the Communist Party of Nicaragua, and the Marxist-Leninist Popular Action Party, MAP, comprise a broad and pluralistic political spectrum representative of various ideologies and sectors with positions opposed to or critical of the revolution, which propose other alternatives (?through their) political programs. [Words indistinct] is merely another effort to discredit the Nicaraguan electoral process.

FSLN INVITES PARTIES TO CONTINUE DIALOGUE

PA210302 Managua BARRICADA in Spanish 18 Aug 84 p 1

[Text] The FSNN National Directorate has invited the six other political parties that have registered to participate in the 4 November elections to continue a national dialogue to "culminate in a climate appropriate for holding the elections."

Revolutionary Commander Carlos Nunez Tellez, designated by the National Directorate to stage the talks, told BARRICADA that the agenda contains three proposals for the meeting planned for next week.

The proposals are the discussion of the material needs of the parties during the election campaign, the best use of the country's capacity now in place to take the best advantage of the electoral process, and finding the mechanisms and communications paths to solve the problems that may arise during the campaign. These problems may include differences among active members of the different parties.

"During the week that is now ending, we continued the national dialogue with the parties through a series of bilateral talks and meetings with a single objective and now we plan to continue the talks that we began with Commander Arce in a multilateral fashion several weeks ago," added Nunez. In addition to the FSLN, the invitation to the next round of talks includes the Popular Social Christian Party, PPSC, Independent Liberal Party, PLI, Communist Party of Nicaragua, PCdeN, People's Action Movement, MAP, Democratic Conservative Party, PCD, and Nicaraguan Socialist Party, PSN. The invitation was sent to the political parties yesterday. The Sandinist leader told BARRICADA that this week bilateral meetings were held with the MAP, PPSC, PSN, and PCD, among other.

ORTEGA SAYS CDN CAN TRY TO REGISTER CANDIDATES

PA190214 Panama City ACAN in Spanish 0101 GMT 19 Aug 84

[Text] Managua, 18 Aug (ACAN-EFE) -- Daniel Ortega, coordinator of the Junta of the Government of National Reconstruction of Nicaragua, announced today that the Nicaraguan Democratic Coordinating Board (CDN) can try to register its candidates with the Supreme Electoral Council, CSE, even though the deadline to do so has expired. However, Ortega noted that the CSE will be the one to "decide whether or not accede to the request from the opposition group." The deadline for registering candidates for the general elections on 4 November expired on 15 August, and the CDN did not register its candidates, although they had been already nominated. Ortega made this statement in Santo Tomas, in the province of Chontales, where he is conducting his electoral campaign as the FSLN's presidential candidate.

CUS MEMBERS CONTINUE TO OCCUPY HEADQUARTERS

PA201502 Managua Radio Sandino Network in Spanish 1200 GMT 20 Aug 84

[Text] The headquarters of the Confederation for Unity of Trade Unions, CUS, headed by Jose Espinosa, is still being occupied by members of that organization. The CUS members are demanding their union's separation from the Ramiro Sacasa Nicaraguan Democratic Coordinating Board [CDN] because it does not represent workers' interests. More than 42 union leaders of Corinto, Chinandega, and Managua are occupying the CUS offices where they have posted large posters and banners that state: "The Coordinating Board sides with an intervention, we side with the people;" and "The Coordinating Board can go to hell!" (German Reyes Mongeres), a member of the CUS executive board, stated today that they will meet today with (Omar Vacas), records secretary, and (Ramon Luna), secretary of finances, to discuss the workers demands.

INTERNATIONAL OBSERVERS INVITED TO ELECTIONS

PA181328 Managua Radio Sandino in Spanish 1830 GMT 17 Aug 84

[Text] Political party leaders of Latin America and Western Europe, U.S. congressmen, university representatives from throughout the world, and Martin Luther King's widow have been invited to observe the electoral campaign and the first free elections in Nicaragua. Speaking with Radio Sandino, Leonel Arguello Ramirez, member of the Supreme Electoral Council said that invitations had been sent to nongovernmental organizations such as OPFAN [expansion unknown] and others.

[Begin Arguello Ramirez recording -- in progress] ...the Contadora countries and the main countries in Latin America. We also sent invitations to congressmen -- representatives and senators of the United States -- certain personalities such as Coretta King, wife of martyr Martin Luther King, certain university and political personalities of the United States and other countries of the world. We currently have confirmation of attendance by the Socialist International and the Conservative International. Representatives of Harvard University are here now, acting as observers. We are also being visited by representatives of OPFRAN, which is a non-governmental organization with headquarters in Belgium and branches on this continent. [end recording]

PPSC LEADERS DISCUSS ELECTION CAMPAIGN

PA171424 Managua Radio Sandino in Spanish 0100 GMT 17 Aug 84

[Popular Social Christian Party (PPSC) leaders Mauricio Diaz Davila, presidential candidate; Guillermo Mejia Silva, vice presidential candidate and Antonio Jarquin, secretary general of the Nicaraguan Workers Federation, interviewed on "Direct Line" program with moderator Mesus Miguel Blandon; in Managua -- live]

[Excerpts] [Cano] I am Rene Cano of the Santa Ana neighborhood. The Nicaraguan people want to hear the message of your campaign for the Presidency. We also want to hear your comments on the situation that is threatening us.

[Diaz Davila] The PPSC is not a social Christian party only because it wants to use this term, but because it wants to put into practice certain principles of Christianity which can be applied to political life. First, for us there can be no political life without taking into consideration the dignity of human beings as a basis, objective, and goal of political parties. This is why we are a popular social Christian party. Second, we understand your concern because we know it is hard to combine the search for peace in an afflicted and distressed country experiencing mourning every day.

We see several interpretations of the reasons for Nicaraguans' grief. One, undoubtedly, is a policy of foreign aggression that is affecting our tranquillity and social peace. Another is the lack of understanding and an incorrect, sectarian, and opportunist -- on many occasions -- handling of our domestic politics. Nicaraguans are facing a crisis. It is a crisis of values, like the universal crisis of values being experienced on all the continents, everywhere on this earth. It is a crisis related to biblical prophecies and linked with the ideas of those of us who believe we must rescue the essential values of Christianity, promote them, and put them into practice.

As a party we can guarantee, as of this moment, that we will not fight with the various religious denominations and the Catholic Church. We will not create conflicts with our people's beliefs. Nicaraguan Christians should vote for the PPSC, which is obviously a new option. Perhaps many Nicaraguans have not heard our voice, but this is simply because the country has been involved in a revolution, and revolutions include various phenomena. We feel that, although we are the newest political organization born before Somoza's ouster, our party offers our people an option of peace and love.

[Mora Flores] Good evening, Companero Diaz. My name is Jose Victor Mora Flores. Don't you think, companero, that despite the fact that the FSLN has said there will be equality in political propaganda, the democratic parties already have a disadvantage in this regard? All one hears is the FSLN propaganda. My second question is: If your party wins, what will be the possibility of reaching a serious agreement with the United States without jeopardizing Nicaraguan dignity? My third question: Which world power does your party favor, the United States or the Soviet Union? If the PPSC favors one, would you explain why? Thank you and good evening.

[Diaz Davila] Thank you, companero. First, we want to say that we are aware that we are participating at a disadvantage in the electoral campaign in comparison to the ruling party. It is evident that the FSLN is a party in the government using instruments, resources, and properties -- an entire logistical apparatus -- which the other political parties, much less the newer parties, don't have. However, we are not looking at the past. We are looking at the future. We don't agree with those who have opted for a policy of absentionism and a nonparticipation in the elections.

We are in the first stages of preparing to exercise the basic rights of any citizen: participating in political parties and choosing a certain political ideology. We offer the best political ideology. It is the political ideology of social Christians who are progressive and revolutionary.

We are going through very difficult times. Our rank and file are asking us to abstain from continuing in the campaign under present conditions. Our departmental rank and file, particularly, are asking us to abstain because there are too many arbitrary actions and because the pro-Sandinist organizations and the FSLN's mass organizations have continued to take down our posters and banners. It is very expensive for us to put up these posters and banners; we are not a party with great resources. I want to ask how the FSLN has managed to finance its electoral propaganda when they haven't even withdrawn the 9 million [cordobas]. We had to withdraw this financing from the Supreme Electoral Council [CSE] to begin our campaign. How has the FSLN managed to carry out such a massive propaganda campaign without any resources supplied by the CSE? This worries us, however, we also want to say that the policy of abstention is shameful and irresponsible.

Regarding your second question, I have already said this: If the PPSC wins... [changes thought] What is occurring in Nicaragua is closely linked with what is occurring in the United States. There is an umbilical cord which links our country -- a country within the geopolitics of the dollar and the empire -- with the United States. If our party wins, we will try to maintain a policy for the defense of national sovereignty. Certain changes which have been healthy for our country historically will be maintained.

In Nicaragua -- this must be clearly stated -- in 150 years of political history we had never reached the levels we currently have in the juridical and democratic spheres, despite the fact that we still have the same obstacles and problems.

If our party wins, we will develop what Sandinism has been unable to develop: a pluralist policy in international relations, a policy equidistant from the exisiting centers of power. I link this answer to my answer to your third question. We have no sympathy for either world power; none whatsoever. We feel that the United States is solely to blame for the economic situation and the crisis Nicaragua is facing. However, this does not mean that we are going to give legitimacy to the intervention of any foreign power in our private affairs. We will be emphatic about this: We do not accept communism, U.S. imperialism, or Soviet socialist imperialism, whatever the guise.

[Blandon] The next question will be asked by DPA correspondent Jose Esteban Quezada.

[Quezada] Mr Diaz, I heard you explain your party's plans to talk with Managua Archbishop Msgr Miguel Obando y Bravo regarding religious [words indistinct] between your party and the leadership of the Nicaraguan Catholic Church. However, it seems that Msgr Obando y Bravo also agrees with a sector of the opposition, in this case the Ramiro Sacasa Guerrero Nicaraguan Democratic Coordinating Board [CDN]. Does this mean that your party -- just as it wants to talk with Msgr Obando y Bravo -- might also now talk, seeking political arrangements, with the CDN and the Social Christian Party headed by Agustin Jarquin in regard to agreements or seeking, perhaps, possible political alliances?

[Diaz Davila] Thank you for your question Jose Esteban. First, I want to explain something which isn't perfectly clear. We are convinced that it isn't true that Msgr Obando y Bravo agrees with the CDN.

We feel that the political opposition in Nicaragua has tried to use the church for its benefit. Evidently, the church, in its capacity as an important institution, must be careful and avoid this. For this reason, we understand the concern expressed by Monsignor Carballo when he said that as a political party we are trying to resort to a tactical procedure to win over a sector which is undoubtedly influenced by the Catholic Church. We do not reject a dialogue with anyone, except for the counterrevolutionary leaders. We have been promoters of a national dialogue. This isn't something new. We proposed it in 1982. Unfortunately, circumstances at that time were adverse for it. However, back then we already thought that a national dialogue had to include the political organizations which have fought for elections in Nicaragua. We have vowed to participate in these elections. This means that in the particular case of the PPSC we will respect the opinion of PPSC sectors which, because of their [word indistinct] leadership, are not participating in the electoral process.

[Torres] I am Juan Torres of Pancasan neighborhood. In view of the escalation of imperialist aggression, what do you feel should be the main responsibility of every Nicaraguan?

[Diaz Davila] At this time, we must devote ourselves to the defense of national sovereignty. However, this defense is not only limited to a military defense. The process of the legal and democratic institutionalization of the revolution goes hand in hand with the country's overall defense. For this reason, we issue a call to all Nicaraguans to participate in the elections and to vote for the PPSC, a party that offers them a wise and Christian option inspired with these values. I repeat: At this time the defense of our country's sovereignty takes priority. However, this defense must not be manipulated by any party. For this reason, we believe the solution of military conflicts and the great economic, military, political, and other problems being faced by our homeland will be attained by holding the 4 November elections. Therefore, we must fight to have the necessary conditions and guarantees so that the parties involved in the process will go to the elections with certain rights, better yet, with certain guarantees: That the rights are listed in the electoral law so that we will not be boycotted and that the regulations contained in the electoral law will not be violated.

[Blandon] Well, we went over the time alloted for this program tonight. We want to thank our guests Mr Diaz Davila, Mr Mejia Silva, and Mr Jarquin.

CDN REASSERTS CALL FOR DIALOGUE, GUARANTEES

PA171550 Managua LA PRENSA in Spanish 15 Aug 84 pp 1, 12

[Text] In a letter sent to government junta Coordinator Commander Daniel Ortega today, the Nicaraguan Democratic Coordiating Board (CDN) has asked: When will the national dialogue be held?

The democratic opposition alliance hopes that this time the government party will agree to the dialogue, because the rebels have opted not to participate in the proposed national dialogue, "thereby eliminating the only obstacle raised by the FSLN."

During a news conference by the CDN this morning at CTN [Central Organization of Nicaraguan Workers] headquarters, CDN leaders said that if the FSLN agrees to engage in the dialogue it should be guaranteed by the Contadora Group, the OAS, or some qualified national institution or person.

The news conference was attended by many government journalists, who complied with their "responsibility" to raise tricky questions formulated in advance by their superiors.

In addition to ignoring Nicaragua's political history, the government journalists asked irrelevant questions and improvised political harangues during the news conference. Some of the international journalists working for the government-owned and FSLN-run media were among them.

Adan Fletes of the Social Christian Party reminded the government "newsmen" that the CDN has been calling for dialogue since December (A Step Toward Democracy) and that, contrary to what BARRICADA and the other media blindly following the FSLN directives have suggested, this is not the first request, at election time, nor is it under U.S. "instruction."

The CDN stated that the talks can proceed in stages and that it is prepared to register candidates if the FSLN establishes the required democratic guarantees.

Fletes said that agreement could be reached on the registrations during the stages of the dialogue and asserted that the CDN would not oppose postponement of the elections scheduled for 4 November if necessary.

"The holding of free and honest elections would deter the current guerrilla war," Fletes noted.

The representatives of the political parties and labor unions comparising the CDN said during the press conference that the sectors opposed to dialogue among Nicaraguans (Sandinists) are the same ones who want to talk with the United States; "but perhaps Chernenko and Reagan will end up talking about Nicaragua, and this is what we do not want."

Carlos Huembes of the CTN mentioned that the member countries of the Contadora Group are among those who advocate dialogue among Nicaraguans, and even among the armed forces, to achieve peace.

Answering an allegation by an attractive young lady from BARRICADA that Arturo Cruz is a U.S. emissary, Fletes said that the CDN candidate is not a spokesman for the counterrevolution or any country other than Nicaragua. The CDN said during the conference that there cannot be free elections without freedom of the press and exhibited a page from the newspaper LA PRENSA demonstrating that it was prevented yesterday from reporting on a possible emergency return by Cruz to Nicaragua. Cruz will probably return to Nicaragua over the weekend. He is currently in Washington, formalizing his resignation from IDB.

Regarding possible FSLN pledges to grant freedom and democracy as a result of the dialogue, Fletes said that the Nicaraguan people do not want "freedom deadlines" limited to the 3-month electoral period but freedom forever. Asked if it contends that supervision is required for the elections to be free, the CDN said that the FSLN is giving the same answers as Somoza, i.e., that supervision would mean foreign intervention.

Fletes said that a postponement of the elections would also benefit the parties participating in the elections, because their activists have been harassed and attacked by Sandinists, and this could be overcome through the dialogue.

A government newsman asked if the CDN would propose Msgr Miguel Obando y Bravo as mediator in the national dialogue. Fletes said that the CDN regards Msgr Obando as a qualified person; that the FSLN has asked him in the past to mediate conflicts with Somoza; and that, therefore, the CDN supposes that the FSLN also regards him as a qualified person.

PASTORA AIDE DENIES TROOPS FIGHTING UNDER CHAMORRO

PA191216 Paris AFP in Spanish 2327 GMT 18 Aug 84

[Text] San Jose, 18 Aug (AFP) -- Spokesmen for guerrilla leader Eden Pastora have denied that troops are fighting "deep inside" Nicaraguan territory under the command of Fernando Chamorro, current military leader of the Democratic Revolutionary Alliance (ARDE), from which Pastora was expelled last month.

A communique distributed here and signed by Pastora, Christian Democratic leader Jose Davila, Miskito leader Brooklyn Rivera, and union leader Donald Castillo denied a statement by Alfonso Robelo, "who on 13 August said that ARDE forces under Chamorro's command" were fighting "in Nueva Guinea, El Almendro, and Rama," in Nicaragua's central Atlantic sector. "This statement mocks our companeros who must die for lack of means of transportation such as the ambulance-helicopter which has been retained by Robelo," says the note bearing ARDE's traditional logo.

The names of Pastora's Sandino Revolutionary Front, Davila's Christian Democratic Solidarity Front, Rivera's Miskito, Sumu and Ramas Sandinist Unity, and Castillo's Christian Workers Solidarity Organization appeared beside ARDE's. The communique adds that "ARDE's General Command, under the leadership of Eden Pastora, reiterates the order given to its fighters to cooperate with all Nicaraguans in arms who are currently fighting against the Nicaraguan Government.

Pastora's break with ARDE came about 1 month ago when leaders of this anti-Sandinist organization met in Panama City with leaders of the Nicaraguan Democratic Force (FDN), to agree on an alliance. Pastora, who rejects the Somozist past of the FDN leaders, is opposed to this alliance. The document states that "we must make it clear that ARDE's name cannot be usurped by those who have deviated from the principles under which it was formed." Therefore, the fighters under the command of Eden Pastora, who "represent the majority of our peasants' and workers' rank and file," will continue struggling under the name of ARDE, the document states in conclusion.

COMMUNIQUE LISTS MILITARY ACTIONS 16-18 AUGUST

PA201954 Managua Radio Sandino in Spanish 1845 GMT 20 Aug 84

[Nicaraguan Defense Ministry communique issued in Managua on 20 August]

[Text] A total of 52 counterrevolutionaries and 5 members of Sandinist People's Army [EPS] were killed and 6 EPS troops were wounded in clashes on 16, 17, and 18 August in various northern and Atlantic parts of Nicaragua. Our troops continue to face the new imperialist aggression against the Sandinist people's revolution with courage and heroism.

A boat was seized containing military weapons, supplies, and a field book showing diverse sites in Honduras where the boat stopped.

On 16 and 17 August there were clashes in (Las Mulas) ravine, El Sabalete hill, and Sardina hill, in Matiguas and Rio Blanco municipalities. Thirty counterrevolutionaries were killed in this clash, while on our part we regret the loss of three soldiers and report that two others were wounded.

On 17 August clashes took place in El Tamarindo, Valley Telpaneca Municipality, in which seven counterevolutionaries were killed and war materiel, including an M-60 machinegun, was seized. On 17 August in the afternoon five counterrevolutionaries were reported killed while the EPS sustained no casualties in clashes La Patriota, in Matiguas Municipality.

On that same day at 1930 a Sandinist Navy patrol boat detected and captured an enemy boat containing three outboard motors, three military ponchos, a backpack, a .22 caliber rifle, and a .38 caliber revolver at Bishmuna Lake, in northern Zelaya. A field book was seized that list sites that the boat's occupants had visited, including Puerto Lempira, (Rogu), and other places in Honduras.

The last report received in the Defense Ministry cites clashes in areas near Kilambe hill, in northern Zelaya, in which 10 counterrevolutionaries and 2 EPS soldiers were killed while 4 of our fighters were wounded. Clashes continued on 19 August in the Kilambe hill area.

ARDE SUPPORTS CDN STRUGGLE FOR DEMOCRACY

PA210338 (Clandestine) Voice of Sandino in Spanish to Nicaragua 2300 GMT 20 Aug 84

[Text] The leaders of the Nicaraguan Coordinating Board [CDN] headed by Arturo Cruz Porras have begun a political tour through Coasta Rica and the member countries of the Contadora Group. The purpose of this tour is to exchange views on the efforts of the Contadora Group member countries in Central America.

Cruz has said on various occasions that the CDN will not register candidates for the 4 November elections as long as the Managua regime does not give full guarantees that free and honest elections will be held. He has also said that the CDN will never give a blank check to the nine [commanders] and that it will never support the election process the way in which the nine have proposed it.

The world must realize that an electoral farce is being mounted in our country. Cruz feels that it is important to meet with the democratic Latin American leaders, particularly with the Contadora leaders, in order to present to them the nine points which the CDN is demanding from the Managua regime as conditions to participate in the election.

The Latin American countries must be witnesses to the fact that we are doing the impossible to achieve pacification in our suffering homeland. The Democratic Revolutionary Alliance, ARDE, supports the CDN's political struggle to democratize Nicaragua and confirms that if the CDN manages to obtain the basic and necessary conditions to participate in free elections we will lay down our arms and support whatever government is elected by the Nicaraguan people. We are aware of and convinced that the only way to bring peace to our country is to hold free and honest elections.

ARDE CLAIMS 97 EPS CASUALTIES DURING JULY

PA181522 (Clandestine) Voice of Sandino in Spanish to Nicaragua 2300 GMT 17 Aug 84

[General Command of the Democratic Revolutionary Alliance, Armed Forces war bulletin released in Sarapiqui, "Free Territory of Nicaragua," on 17 August]

[Text] The General Command of the Democratic Revolutionary Alliance, ARDE, armed forces reports to the Nicaraguan people and friendly peoples of the world:

1. In search-and-destroy missions, the General Francisco Estrada column of the Piranha unit, operating in the Nueva Guinea region, inflicted 97 casualties on the Cuban-Soviet interventionist Sandinist People's Army, EPS during the month of July.

2. The actions carried out by this column took place in La Union, (El Letrero), and on the road leading from San Ramon to San Antonio in Nueva Guinea jurisdiction.

3. The companeros leading this heroic column are: Puma, Navigator, Cupido, and Hercules.

4. During the clash at La Union our revolutionary army killed garrison Commander Rufino [words indistinct]. Our forces occupied the garrison for 7 hours. In addition, during a clash on the road from San Antonio to San Ramon our forces eliminated seven members of the sinister state security organization headed by Tomas Borge. The seven were riding a station wagon, which was completely destroyed.

5. Fighters of this column's peasant group seized 10 AK-47 rifles, 1 M-60 machinegun, 5,000 rounds of ammunition for AK-47 rifles, 2,000 rounds of ammunition for M-60 machineguns, and 30 AK magazines. In these clashes, we suffered six casualties; one dead and five slightly wounded. The dead companero's name was Dino Urbina, from (Matachin). It has also been reported that our wounded companeros are recovering in our field hospitals, here in ARDE-liberated territory.

Without totalitarianism or return to the past!

[Signed] Eden Pastora Gomez, ARDE General Commander Sarapiqui, free territory of Nicaragua, 17 August 1984.

COMMENTARY CRITICIZES U.S. THIRD WORLD POLICY

PA200420 Havana International Service in Spanish 0000 GMT 20 Aug 84

["Our America" commentary]

[Text] The U.S. imperialist government has been hampering all initiatives toward achieving a commercial balance between industrial and developing nations for many years. In addition, Washington has refused to contribute to the economic development of the so-called Third World countries and maintains a rapacious policy in its relationship with these states.

This U.S. stance has again been demonstrated during two important conferences held in Latin America. During the international population conference held in Mexico City, the majority of the nations represented there rejected a proposal by the U.S. delegation aimed at thwarting the Palestinian people's struggle to create a free, independent state.

Similarly, Washington has criticized the plans presented by numerous delegations who established a definite relationship between population growth and the industrial development of Third World peoples. The population conference also reached an agreement that invalidated a U.S. proposal which had opposed a recommendation on disarmament and the channeling of resources used in war activities toward development.

The delegates agreed to include in the final document's preamble the assertion that admitting the existence of close ties between peace and development, it is very important to foster peace, security, disarmament, and cooperation, all of which are indispensable to attaining population, social and economic development goals.

Contrary to the U.S. stance, the conference reached the conclusion that the creation of conditions for true peace and security would allow for the use of resources now spent for military purposes to be devoted to economic and social programs, all of which would greatly help to achieve the goals and objectives of a world action plan.

In addition, the selfish and hegemonic U.S. stance was similarly defeated during the FAO regional conference held in Buenos Aires. In a clear allusion to the U.S. warmongering policy, those who attended the meeting urged the world community to stop the wild arms race and reduce the danger of a nuclear holocaust. The meeting demanded a drastic reduction in the amount of resources earmarked for armament in favor of the development of Third World peoples.

The Buenos Aires conference urged capitalist powers to reduce interest rates and eliminate protectionism on products exported by Latin America and the Caribbean. FAO Director General Edouard Saouma said that high interest rates on loans, adverse trade conditions, and protectionist measures adopted by developed capitalist countries negatively affect the region's progress. The insistence on adopting such measures in view of the existence of the foreign debt is tantamount to tell a man to swim upstream in a waterfall with his hands tied, Saouma said.

Despite the setbacks suffered by the United States in this and other international forums, the White House maintains its aggressive and reactionary policy throughout the world, particularly in Latin America, in open challenge to the international community that demands the peoples' peace and development. Hence, the Latin American peoples' struggle for their political and economic independence has become greater and greater. No force will be able to stop this struggle. No blackmail or pressure will prevent the final victory of the world's peace-loving forces.

U.S. NAVY SECRETARY LEHMAN VISITS PRC

PA210203 Havana International Service in Spanish 1600 GMT 20 Aug 84

[Text] John Lehman, U.S. secretary of the Navy, said in Peking that his conversation with Chinese officials on naval cooperation have been highly productive. Before leaving on a tour of Chinese main naval bases, Lehman added that sound foundations have been established between Washington and Beijing for the exchange of technology. Lehman is the highest ranking Pentagon official that has visited the PRC since PRC Defense Minister Zhang Aiping visited Washington and the United States agreed to sell anti-aircraft, anti-tank, artillery and communications equipment to the PRC.

PUERTO RICAN SPEAKER SEEKS LATIN AMERICAN SUPPORT

PA210147 Havana International Service in Spanish 1600 GMT 20 Aug 84

[Text] Severo Colberg, speaker of the House of Representatives of Puerto Rico, is in Caracas requesting the support of all Latin American countries for Puerto Rico's self-determination right. Colberg, who is visiting Venezuela to obtain support for his country to be accepted into the Latin American Parliament, said that Puerto Rico wants to be free to decide its own political situation. In statements to the Venezuelan news media, Colberg accused the U.S. Government of deceiving the international community by not granting Puerto Rico its independence. He called the U.S. attitude abusive and a betrayal of the intentions set forth at the United Nations in 1953.

NICARAGUAN OFFICIALS DISCUSS U.S. AGGRESSION

Cites U.S. Expenditures

PA202320 Havana International Service in Spanish 1800 GMT 20 Aug 84

[Text] Sergio Ramirez, member of the Junta of the Government of National Reconstruction of Nicaragua, has reiterated that his country has the right to obtain the help it needs to defend its sovereignty. Referring to U.S. threats to Nicaragua, Ramirez added that Washington is planning to spend $400 million to destabilize and destroy the Sandinist revolution. Ramirez said that the material loss caused by the aggression totals more than $200 million. Meanwhile, Commander Carlos Nunez Tellez announced that over 30 counterrevolutionaries were killed during the past 3 days in Jinotega Department. In a speech delivered to hundreds of peasants in the village of Pantasma, Nunez Tellez said that the Sandinist People's Army, EPS, is conducting important operations in Matagalpa Department.

'Permanent State of Alert'

PA210345 Havana International Service in Spanish 1600 GMT 20 Aug 84

[Text] Deputy Commander Rafael Solis, Nicaraguan State Council secretary, said in Mexico City that Nicaragua is not Grenada and that if the United States invades his country it will meet a house to house resistance because the people will fight to the last drop of blood. He said that for the Sandinist government the reelection of Ronald Reagan is the most serious military threat to Central America. Nicaragua is on a permanent state of alert and prepared to face any aggression, Solis indicated.

CLASHES BETWEEN NICARAGUAN EPS, CONTRAS REPORTED

PA182300 Havana International Service in Spanish 1600 GMT 18 Aug 84

[All figures as heard]

[Text] A total of 180 Nicaraguan contras have died in the last few days in Matagalpa and Jinotega Departments in clashes with special Sandinist People's Army, EPS, battalions,

according to Commander Javier Carrion, chief of the 3d military region in the city of Matagalpa.

This is in addition to the 516 casualties suffered by the mercenaries in June and July.

Carrion said that the Nicarao task force commanded by a counterrevolutionary leader known as El Tigrillo entered the Nicaraguan Department of Nueva Segovia from Honduras, suffering 40 dead and some 50 wounded. Meanwhile, the Diriangen and Jorge Salazar counterrevolutionary groups, which operate in northern Jinotega and in Rio Blanco, Matagalpa Department, suffered some 40 dead in clashes with the EPS.

Casualties in North

FL210053 Havana Television Service in Spanish 0000 GMT 21 Aug 84

[Text] Over 30 Nicaraguan contras died during 6 days of fighting in the northern Department of Jinotega, according to a report by Sandinist Commander Carlos Nunez Tellez. He also said that in recent days, more than 160 members of the contra organization Nicaraguan Democratic Force have fallen in 38 battles in four departments in northern Nicaragua.

Meanwhile, Sergio Ramirez Mercado, member of the government junta, has pointed out that Nicaragua would not renounce its right to acquire the means of defense necessary to protect its national sovereignty.

FMLN ATTACK ON EL PARAISO BARRACKS NOTED

FL201800 Havana Television Service in Spanish 1102 GMT 20 Aug 84

[Text] FMLN units have launched a mortar attack on the barracks of the 4th Brigade, located in El Paraiso, Department of Chalatenango. Radio Farabundo Marti reported that the installation received four direct mortar hits during the attack, carried out in the early morning hours of 13 August. On 30 December 1983, the barracks had been totally destroyed during a successful guerrilla attack. Insurgent units recently attacked the forces guarding the bridge over the Azambio River, on the highway that links El Paraiso with Chalatenango.

TWO LABOR LEADERS KIDNAPPED IN GUATEMALA

PA192016 Havana International Service in Spanish 1600 GMT 19 Aug 84

[Text] (Geronimo Lopez), secretary general of the Guatemalan Coordinating Board for Trade Union Unity (Coordinadora de Unidad Sindical], and (Alberto Grilly Escobar), a leader of a textile workers union, have been kidnapped by armed individuals in Guatemala City. The local press reported that their whereabouts is unknown.

Meanwhile, the Guatemalan Association of University Students has asked Viscount Colville de Culross, the special UN liaison on human rights, to use every available means so that the authorities will investigate the whereabouts of hundreds of people in Guatemala who have been arrested and are missing.

ORPA CLAIMS FIGHTING, CASUALTIES IN GUATEMALA

PA181852 Havana International Service in Spanish 1600 GMT 17 Aug 84

[Text] Guatemala's Revolutionary Organization of the People in Arms [ORPA] has announced that in fighting since late July a total of 122 troops have been either injured or killed. ORPA claims to have foiled a new government offensive that mobilized some 8,000 troops and about 1,000 paramilitary elements.

The guerrilla organization has charged that on 7 August the regime's Air Force bombed the town of San Pablo, in San Marcos Department, killing more than 100 civilians and destroying dozens of peasant dwellings. ORPA is a member of the Guatemalan National Revolutionary Unity, which also comprises the Rebel Armed Forces, the Guatemalan Labor Party, and the Poor People's Guerrilla Army.

NEW COMMANDERS APPOINTED IN DOMINICAN REPUBLIC

PA202312 Havana International Service in Spanish 1800 GMT 20 Aug 84

[Text] President Salvador Jorge Blanco of the Dominican Republic appointed five new army commanders in charge of five military regions and transferred several police chiefs as part of a reorganization of the military forces which began 3 days ago when General Ramiro Matos, former armed forces secretary, was replaced. The military forces reorganization came as a result of an institutional crisis created by the Senate when it ended up with two boards of directors.

CHILE'S PINOCHET THREATENS TO REPEAT 1973 COUP

PA210340 Havana International Service in Spanish 0000 GMT 21 Aug 84

[Text] The head of the Chilean regime, General Augusto Pinochet, has threatened to repeat the 1973 coup if politicians try to destroy what he described as his government's work.

Pinochet, who recently compared himself to the best of the Roman emperors, said that the military who overthrew the popular regime of President Salvador Allende almost 11 years ago did so to save Chile from communism.

Pinochet made the statements on the eve of a new national protest drive which the opposition is preparing for 4-5 September to demand the return to a democratic government.

URUGUAY EXPELS FORMER SPANISH PRIME MINISTER

PA210253 Havana International Service in Spanish 0000 GMT 21 Aug 84

[Text] Uruguay has expelled former Spanish Prime Minister Adolfo Suarez who arrived in Montevideo yesterday to join the group of lawyers who are working for the release of Blanco Party leader Wilson Ferreira Aldunate.

Previously, the regime had prohibited Suarez from visiting Ferreira Aldunate in the Montevideo jail in which he has been held since his arrival in Uruguay after 11 years in exile.

Other reports indicate that the Uruguayan military has ordered the release of Juan Raul, son of the sexagenarian opposition leader, whose resignation as presidential nominee was rejected by the Blanco Party's national convention.

BRIEFS

NEW AMBASSADOR TO PHILIPPINES -- Ana Maria Gonzalez Suarez has been designated ambassador extraordinary and plenipotentiary to the Republic of Philippines by the Cuban Council of State. [Summary] [Havana Domestic Service in Spanish 1600 GMT 15 Aug 84 FL]

PRESIDENT JORGE SEES 'PROMISING FUTURE' AHEAD

FL171517 Santo Domingo Radio Popular in Spanish 0930 GMT 17 Aug 84

[Text] President Salvador Jorge Blanco asked the Dominican people to have faith in his government, indicating that there are better times ahead despite existing limitations. Jorge Blanco said the promising future will become increasingly possible and attainable with the united effort of all Dominicans.

The chief executive made a speech at the monument to the heroes of Santiago's restoration. He said he did not want to be overly optimistic, but already there are hopeful signs, Jorge Blanco said and added that some measures needed to adjust the economy are still lacking.

He said some problems still persist in the country, such as the problem of petroleum, which needs to be corrected. He explained that some signs encourage him to move forward because of the improvements in industrial countries which are reflected in the economies of poor countries.

The president of the Republic added that the attitude of international financial centers, above all of the United States, has become more understanding, providing new opportunities for nations such as ours.

DISPUTE OVER SENATE PRESIDENT CONTINUES

FL201202 Bridgetown CANA in English 0015 GMT 20 Aug 84

[By Miguel Franjul]

[Text] Santo Domingo, Aug 20, CANA-REUTER -- More political squabbling is expected this week in the Dominican Republic as rival factions in the country's ruling party continue a running battle in Congress.

Political sources said they saw no early settlement of the crisis, which has brought the work of government to a halt and provoked a flurry of rumours about possible Armed Forces intervention.

The Armed Forces themselves yesterday moved to squash the rumours by issuing a strong reaffirmation of their support for the Constitution and the government of President Salvador Jorge Blanco.

New heads of the Army, Air Force and Navy were named last week in what a presidential spokesman said at the time was a move unrelated to the constitutional crisis.

Armed police yesterday continued to guard the Congress building against any occupation attempt by the rival factions but were allowing some deputies into their office.

Independent Deputy Miguel Velasquez was yesterday quoted by local media as accusing the government of meddling in Congress' affairs.

The crisis began last Thursday when the two factions of the ruling Dominican Revolutionary Party [PRD] each claimed their candidate had won an election for Senate President.

The faction is headed by Jorge Blanco and the other by a former national president, Jacobo Majluta, who claims to have won Thursday's Senate ballot.

His rivals refuse to recognise him and say their candidate, Domingo Tavarez, is the new Senate president.

Attempts over the weekend to settle that dispute and a related stand-off in the lower house failed.

Political sources said they expected the squabbling to continue this week and escalate on Tuesday when both Tavarez and Majluta have said they intend to take over the running of the senate.

MAJLUTA ON PETROLEUM MARKET TRANSFER, GOVERNMENT

FL171456 Santo Domingo LISTIN DIARIO in Spanish 12 Aug pp 1, 13

[Excerpts] San Juan de la Maguana -- Jacobo Majluta yesterday called on his followers to take no part in the "inevitable" protests which will take place because of the transfer of petroleum and its derivatives to the preferential market, a course the government will take without listening to the voice of the people.

Majluta said that although it was a dangerous step to transfer petroleum derivatives to a so-called preferential market, the government had decided to go ahead with this measure without taking into account the people's and their leaders opposition.

He said he had been thinking of last April's bloody events when he called on Dominican Revolutionary Party [PRD] members, who follow his political ideals, to not take part in the violence "because this would not solve anything."

Majluta said that those PRD members who seek an arrangement with the opposition, believe that by doing so, they will be able to pass the new taxes they seek to impose, and do not see that the people will resist these measures.

He said the last thing his party companions wanted "was to provoke a useless confrontation between Jose Francisco Pena Gomez and the PRD's presidential candidate", in reference to himself.

On rumored government changes starting 16 August, Majluta said he believes that this will provide an opportunity to redirect government activity to become more efficient, by removing some incompetent officials.

He said some government officials, instead of dedicating themselves to governing, dedicate their time to creating problems in the PRD, with the opposition, and with the whole world.

BRIEFS

AMBASSADOR TO VENEZUELA -- Santo Domingo, 18 Aug (AFP) -- Dr Ramon Ledesma Perez is the new Dominican Republic ambassador to Venezuela. [Summary] [Paris AFP in Spanish 1826 GMT 18 Aug 84 PA]

DOMINICA

F APPROVES 1.4 MILLION SDR STANDBY CREDIT

172100 Bridgetown CANA in English 1855 GMT 17 Aug 84

ext] Bridgetown, Barbados, Aug 17, CANA -- The International Monetary Fund (IMF) has proved 1.3 million U.S. dollars in stand-by credit for Dominica to support the island's pital budget, according to the latest IMF survey received here.

e one-year arrangement was expressed in Special Drawing Rights (SDR), the IMF's tificial reserve asset, which is currently worth 97 U.S. cents. The publication said e IMF credit totalled 1.4 million SDR.

e government's financial programme for 1984-85, which the stand-by arrangement supports, lows for a sizeable increase in capital outlays, with the resultant fiscal deficit ing covered almost fully by grants and concessionary credits from abroad, the survey d.

e programme aims at improving government savings performance to support the country's vestment effort and to contain the growth of Dominica's public debt and debt-service ligations to manageable proportions.

e improvements that are being made in infrastructure and the maintenance of stable ustrial relations, together with a greater access to financial resources envisaged er the programme, should stimulate the growth of the private sector.

e current account deficit of the balance of payments is expected to widen temporarily h the expansion of investment, while the overall balance should shift to a small plus," the IMF survey said.

said that, following the devastation of the 1979-80 hurricanes, Dominica successfully lemented an economic adjustment programme that was supported by a three-year balance payments support loan from the fund for 8.55 million SDR (then worth about million East Caribbean dollars).

fund said that real gross domestic product (GDP) expanded by eight per cent in 1981 by an annual average of three and a half percent in 1982-83, while the rate of lation declined from 30.5 per cent in 1980 to about four percent a year in 1982-83.

e government savings performance improved substantially during the programme period the extended fund facility, and the overall fiscal deficit declined from 29.7 cent in financial year 1979-80 to 13.1 percent in 1983-84," the IMF survey said.

said that the current account deficit of the balance of payments was reduced from 5 per cent of the GDP in 1980 to 9.5 per cent in 1983.

IMF survey said that the credit, which is equivalent to 35 per cent of Dominica's ta of 4 million SDR, will be financed from the fund's ordinary resources.

fund said that Dominica's outstanding financial obligations to the fund resulting n past operations and transactions currently total the equivalent of 10.8 million SDR.

GRENADA

GULF GOVERNMENT WOULD REQUEST U.S. DEFENSE AID

FL201558 Bridgetown CANA in English 1757 GMT 19 Aug 84

[Text] St. George's, Grenada, Aug 19, CANA -- A Grenada United Labour Party (GULP) government would press for a continued U.S. military presence here and "respectfully" invite the British to come in and help with the island' defence, says the party's newspaper.

The 12-page "GRENADA GUARDIAN," in its first issue yesterday, gave insights into policies to be pursued by the GULP if it wins power in the forthcoming general elections. The party's manifesto, spelling out these policies in greater detail, will be released next week.

A GULP administration would respect the fundamental rights and freedoms of citizens but at the same time would not hesitate to deal firmly with subversives, the paper said. "No new subversive activities will be tolerated in any way," it said.

The last elected GULP government, headed by Sir Eric Gairy, was ousted in a 1979 coup. The successor government was itself overthrown last October, prompting a U.S.-led intervention.

"GRENADA GUARDIAN" said the GULP was grateful for the "rescue mission" and sees the need for the help of the American Armed Forces in Grenada's defence."

The GULP promises that as a government it would see to it that July 4, America's Independence Day, is recognised here with "a full scale formal reception" for American citizens living here and visiting dignitaries.

The GULP feels relations with Britain, Grenada's former colonial ruler, must be strengthened, and promises unswerving loyalty to the British monarch.

Said the GULP newspaper: "We shall respectfully invite the British authorities to discuss the possibility of establishing a British naval presence in the north of Grenada, extended police assistance and technical co-operation among other things."

"A GULP administration will give full recognition to the importance of the queen's birthday with all the pomp and formalities of the military parade at Queens Park, followed by a reception with a toast to Her Gracious Majesty Queen Elizabeth II, so loved by the people of Grenada."

The GULP says it is committed to freedom of the press, freedom of speech, freedom to assembly, and freedom of religious worship. It also promises no victimisation or revenge. Gairy says he does not intend to contest the election but is spearheading the party's campaign.

NDP'S BRIZAN RECEPTIVE TO COALITION TALKS

FL2016446 Bridgetown CANA in English 1731 GMT 19 Aug 84

[Text] St. George's, Grenada, Aug 19, CANA -- Leader of the National Democratic Party (NDP) in Grenada, George Brizan, said today that the door is still open for talks aimed at forging a coalition of three centrist groups for the forthcoming general elections.

Brizan stated that his six-month-old party had decided to leave the door open -- despite going ahead with its own campaigning -- because certain sections of the Grenadian population would like to see the moderates coming together on a common platform.

"We would like to respect the wishes and aspirations and thinking of certain sectors of the population," he said to CANA. In a statement here Thursday, the NDP said that, because of the stalemate in the coalition discussions, it had told candidates in eleven constituencies to begin canvassing.

The coalition talks ran into fresh snags with the NDP failing to accept four of the fifteen constituencies offered by former Chief Minister Herbert Blaize for its candidates in the elections to return Grenada to constitutional rule.

According to Brizan, the NDP would only join the coalition provided its request for five seats for its candidates was agreed to by the two other centrist groups involved in the initiative.

The Grenada Democratic Movement (GDM) and the Grenada National Party (GNP) are the two other groups. Both have formed a Team for National Unity (TNU) with Blaize as the leader.

"We still feel that they would respect that reasonable position because that was arrived at [with] great sacrifice by the National Democratic Party," Brizan said. "We hope that they would recognize the reasonableness of that particular allocation, and furthermore we have sounded this out among various members of the public and among the electorates in general, and they themselves said it was reasonable," he added.

Brizan said he had sensed that Grenadians had become frustrated over the state of the indecisive talks among the centrist groups, and his party had no alternative but to organize among the various constituencies to prepare to face the electorate.

"The NDP cannot be kept in this state of paralysis, and therefore we are going to be working in the field actively in all constituencies so that we would not be caught in a situation where you have to face an election, and you have some hurried association, and you find that the necessary work was not done because everyone was kept in a state of paralysis," he remarked. "We have said what is reasonable involvement of the National Democratic Party in the three party coalition and if that is accepted as reasonable then we can review the situation," he added.

GDM LEADER ALEXIS RECOMMENDS PATIENCE, TOLERANCE

FL172110 Bridgetown CANA in English 1931 GMT 17 Aug 84

[Text] St. George's, Grenada, Aug 17, CANA — Leader of the Grenada Democratic Movement (GDM) Dr Francis Alexis has appealed for patience and tolerance to be exercised by three centrist groups trying to form a coalition for general elections due later this year.

He was reacting to a decision by one of the groups -- the five-month-old National Democratic Party (NDP) -- to name 11 candidates to contest the elections in the light of fresh snags arising in the coalition talks. The third party, the Grenada National Party, has expressed its disgust at the state of the negotiations.

Alexis told CANA that the move by the NDP could have some impact on the discussions and called for all those involved in the talks to guard against "hot headedness" in the interest of the moderate cause. "If the NDP or any other group for that matter has eleven candidates when they are fifteen seats, it does indicate to me that that party is not quite in a position to contest the elections let alone to form the government of the day," Alexis said.

He added: "If anything, that exposes the weakness of the party which says that it has eleven candidates. If my advice has been sought, I would have said that it would have been better not to have made such a statement."

The NDP said it was not opposed to an electoral accommodation but felt that five seats (instead of the originally proposed four) should be allocated for its candidates if it were to join the proposed alliance to be headed by former Chief Minister Herbert Blaize of the GNP.

Alexis said that the GDM and GNP, which already formed a team for national unity, had offered the NDP the same five seats which it wanted as a condition for joining the coalition. He said that the only hurdle preventing the NDP from joining the alliance was its failure to agree to conduct a poll as suggested by the team for one of the five constituencies.

"If they deserve the constituency they would have gotten it in the poll. If they could not win the poll, then they did not deserve the constituency, and this is very democratic," Alexis said. The GDM leader did not identify the constituency, but NDP leader economist George Brizan said it was the rural seat of St Davids, south west of here.

JAMAICA

RESIGNATIONS OF CABINET MEMBERS ANNOUNCED

Science Minister Irvine

FL181838 Bridgetown CANA in English 1827 GMT 18 Aug 84

[Text] Kingston, Jamaica, Aug. 18, CANA -- Ruling Jamaica Labour Party (JLP) chairman and Cabinet minister, Dr Ronald Irvine, has announced his resignation from both posts.

Irvine also confirmed that he is leaving the Senate where he has served for 21 years. He said he wanted to devote more time to his personal affairs, including rebuilding his medical practice.

Irvine was named the first minister for science, technology and environment after last December's general elections. He was a minister without portfolio in the previous Edward Seaga administration.

Prime Minister Seaga acknowledged receiving Irvine's resignation on August 14, but said he intended to make it public after he had informed the Cabinet at Monday's regular meeting.

Tourism Minister Abrahams

FL202032 Bridgetown CANA in English 1908 GMT 20 Aug 84

[Text] Kingston, Jamaica, Aug 20, CANA -- Jamaica's tourism minister, Anthony Abrahams, has resigned, the media here reported today. Abrahams has declined comment but has called a news conference for tomorrow.

Last Friday, minister of science, technology and the environment and ruling Jamaica Labour Party (JLP) chairman, Dr Ronald Irvine, disclosed that he had given up both jobs to have more time for personal matters including the building back of his medical practice.

Since becoming a member of Prime Minister Edward Seaga's Cabinet in November 1980, Abrahams has been at the centre of a number of controversies. The latest was a near brawl last month with journalist and television interviewer Wilmot Perkins after the recording of a programme at the Jamaica Broadcasting Corporation.

His greatest controversy came in May year [as received], when he also held the information portfolio, after he fired the JBC's board and was accused of political action.

In recent months he has also been criticized for remarks in Parliament about a female journalist who apparently wrote an investigative story for THE GLEANER newspaper showing that several government ministries and ministers owed the state-owned travel company, Martins Jamaica, over J2 million dollars.

Abrahams was one of the ministers named with debts to the company, which he accused of bad accounting practices. He appointed a team to look at the firm's finances.

PNP, PSOJ COMMENCE DIALOGUE ON NATIONAL ISSUES

L172128 Bridgetown CANA in English 2025 GMT 17 Aug 84

[Text] Kingston, Jamaica, Aug 17, CANA -- Jamaica's socialist opposition the Peoples National Party (PNP) and the umbrella private sector body have opened a dialogue on national issues."

The first round of talks took place Thursday between the top leadership of the PNP, whose economic policies when in government from 1972-80 enraged the business community, and the Private Sector Organisation of Jamaica (PSOJ), according to a party statement.

The statement, which according to a PSOJ spokesman was agreed on by both sides, gave little detail of the discussions, but said that both sides exchanged papers on manufacturing, tourism, public utilities, agriculture, and foreign trade.

Among the matters discussed were the role of the government and the private sector in economic development, investment policy, problems of production in the economy, capital formation, and taxation policies," said the PNP, which boycotted last December's general elections.

Added a PSOJ official: "We have regular discussions with the government on all sorts of issues, and we think that we should have such discussions with the party that is clearly the alternative government."

Meantime, PNP leader Michael Manley was today quoted as saying that no single political party here or its policies could solve Jamaica's economic crisis.

According to the GLEANER newspaper, Manley Tuesday told Chamber of Commerce members in Montego Bay that for the past 12 years both major parties had vigorously pursued different economic policies, yet the country was still in an economic bind.

There was no "single or exclusive priority" that could produce the magic, he was quoted as saying, adding: "...rather we can put together a number of practical components in the way the economy works and the society works, that out of the sum total of a lot of things we can get forward movement and success."

The ruling Jamaica Labour Party controls all the 60 seats in the House of Representatives.

JOINT FISHERIES VENTURE BEGINS WITH PRC

FL201540 Bridgetown CANA in English 1629 GMT 19 Aug 84

[Text] Georgetown, Guyana, Aug. 19, CANA -- Guyana and China have entered into a joint venture in fisheries with an authorised capital of 8.8 million U.S. dollars, the Guyana Government has said. The venture involves the expansion of the operations of Guyana Fisheries Limited (GFL) to include fish trawling, fish processing and canning, and is expected to boost Guyana's foreign exchange position.

The government said a contract for the joint venture project was signed recently in Beijing, China, by representatives of both countries, with Guyana holding the majority of shares. Executive director of GFL, Gary Clarke, who headed a five-man delegation to China for the signing ceremony, said: "The venture is a big leap by the Guyana fishing industry and of course will be export-oriented." He added: "China will provide eight modern trawlers, as well as processing facilities and trawlers." [as received] "The contract provides for the establishment of marine fishing and processing as well as marketing of Guyana's marine products," Clarke explained.

The joint venture project, expected to be put into effect by April next year, will also include shrimping. "The major requirements for the implementation of the agreement are the expansion and development of GFL's operations, production development and marketing strategies, the provision of additional fishing trawlers as well as an increase of shrimping trawlers," Clarke said.

UNION PRESIDENT SAYS COUNTRY IN CRISIS

FL202058 Bridgetown CANA in English 1902 GMT 20 Aug 84

[Text] Georgetown, Guyana, Aug. 20, CANA -- President of the Military, Clerical, and Commercial Workers Union, Gordon Todd said today that Guyana was in a crisis politically, economically, and socially. In an address to some 200 delegates at the union's 22nd annual conference, Todd said that after nearly 20 years of political independence Guyana has found itself at the bottom of the economic scale among nations of the English-speaking Caribbean. "The economy, the political system, all institutions including the courts are at the cross roads," Todd said. He added: "The crisis has come about because as a nation we have failed to put a brake on those proposed changes which have not served the ends of the Guyanese masses." He said Guyanese "have not been calling a spade a spade and speaking out against injustices, no organisation or institution in this country can exonerate itself from blame since we are all involved and all of us are being consumed, consumed not by an external oppression [but] by our own apathy."

Todd said Guyanese "have failed to become indignant over the ever increasing unemployment, poverty, and degradation and general sufferings of the masses." He called for a halt to "this process of decline and destruction of the Guyanese." Todd said the majority of Guyanese "agree that there is more decay than development in the state of Guyana and see government coercion and authoritarian rule as some indicators of a de facto one party state." He said the average Guyanese worker "is now worse off economically than any of his Caribbean counterparts, and the entire process of collective bargaining has been eroded since an incompetent TUC (Trade Union Congress) leadership were recently given more powers by the government with the passing in Parliament of the notorious Labour Amendment Bill."